

PROSPECTUS

MULTI UNITS FRANCE

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PROSPECTUS

A SICAV FUND COMPLIANT WITH EUROPEAN STANDARDS

MANAGEMENT AND OPERATIONS: GENERAL CHARACTERISTICS

LEGAL FORM

A French SICAV fund formed in France

NAME

MULTI UNITS FRANCE.

LEGAL STRUCTURE AND MEMBER STATE IN WHICH THE FUND WAS CREATED

MULTI UNITS FRANCE is a French SICAV mutual fund, registered in France.
Registered office address: Tour Société Générale, 17 cours Valmy, 92800 Puteaux, FRANCE.
Registered in the Nanterre trade register under No. 441 298 163.

DATE ESTABLISHED AND INTENDED TERM

The MULTI UNITS FRANCE fund was established on 4 March 2002 for a period of 99 years.

PUBLICATION DATE

This prospectus was published on 5 September 2019.

KEY INFORMATION

SUB-FUND No. 1: LYXOR BEL 20 TR (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption redemption (primary market) or for purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|------------------------------|
| Dist | FR0000021842 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market N/A on the secondary market ⁽¹⁾ | Euronext Brussels (Brussels) |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 2: Lyxor BTP Daily (2x) Leveraged UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption redemption (primary market) or for purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|--|
| Acc | FR0011023639 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market N/A on the secondary market ⁽¹⁾ | Borsa Italiana (Milan), Euronext Paris |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 3: Lyxor Bund Daily (2x) Leveraged UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption redemption (primary market) or for purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|---|
| Acc | FR0011023654 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market N/A on the secondary market ⁽¹⁾ | Deutsche Börse (Frankfurt) Euronext Paris, Borsa Italiana (Milan) |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 4: Lyxor BTP Daily (-2x) Inverse UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or for purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|------------------------|
| Acc | FR0011023621 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market | Borsa Italiana (Milan) |
| | | | | | N/A on the secondary market ⁽¹⁾ | Euronext Paris |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 5: Lyxor MSCI Indonesia UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum subscription / redemption (primary market) or purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|---|
| Acc | FR0011067511 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | Euronext Paris, Deutsche Börse (Germany), Borsa Italiana (Italy) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| C-USD | FR0011070374 | Accumulation | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | Singapore Exchange Trading Securities Limited (Singapore), London Stock Exchange (London), Luxembourg stock exchange (Luxembourg) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Dist | FR0011070382 | Accumulation and/or Distribution | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 6: Lyxor MSCI Thailand UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or for purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|--|
| Acc | FR0011067529 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | Euronext Paris, Deutsche Börse (Frankfurt), Borsa Italiana (Milan) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Dist | FR0011070424 | Distribution | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 7: LYXOR MSCI SELECT OECD EMERGING MARKETS GDP UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchange |
|-------------|-----------|-------------------------------------|----------|--------------------|--|------------------|
|-------------|-----------|-------------------------------------|----------|--------------------|--|------------------|

| | | | | | | |
|------|--------------|----------------------------------|-----|-----------------------|--|----------------|
| Dist | FR0011646496 | Accumulation and/or Distribution | USD | Open to all investors | On the primary market, the USD equivalent of 100,000 euros | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Acc | FR0011645605 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | Euronext Paris |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 8: Lyxor 10Y US Treasury Daily (-2x) Inverse UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum subscription / redemption (primary market) or purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|---|--|--|
| Acc | FR0011607084 | Accumulation | USD | C-USD shares are available to all investors | The USD equivalent of EUR 100,000 on the primary market | Euronext Paris, Borsa Italiana, London Stock Exchange (London) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Dist | FR0011607340 | Accumulation and/or Distribution | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 9: LYXOR FTSE ITALIA MID CAP PIR (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|------------------|
| Acc | FR0011758085 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | Borsa Italiana |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 10: Lyxor German Mid-Cap MDAX UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|------------------|
| Dist | FR0011857234 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market | Deutsch Börse |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 11: Lyxor Hwabao WP MSCI China A (DR) UCITS ETF

| Share class | ISIN CODES | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|--------------------|--|--|
| Acc | FR0011720911 | Accumulation | USD | Open to all | The USD equivalent of EUR 1,000,000 | Euronext Paris, London Stock Exchange, Borsa Italiana, Six |

| | | | | | | |
|------|--------------|--------------|-----|-----------------------|---|-------------------------|
| | | | | investors | on the primary market | Swiss Exchange (Zurich) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Dist | FR0011720937 | Accumulation | USD | Open to all investors | The RMB equivalent of EUR 1,000,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount unless required by the relevant exchange(s).

SUB-FUND No. 12: LYXOR Fortune SG China Sovereign Bonds (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or for purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|--|
| C-USD | FR0012698157 | Accumulation | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | Euronext Paris, London Stock Exchange (London) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| D-USD | FR0012698165 | Accumulation and/or Distribution | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount other than that which may be required by the exchange.

Sub-fund No. 13: Lyxor MSCI World Ex EMU UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or for purchase/sale (secondary market) | Listing exchange |
|------------------------------|--------------|-------------------------------------|----------|-----------------------|--|------------------|
| Acc | FR0013209921 | Accumulation | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | Borsa Italiana |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Dist | FR0013209939 | Accumulation and/or Distribution | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to EUR - Acc | FR0013209947 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to EUR - Dist | FR0013209954 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to GBP - Acc | FR0013209962 | Accumulation | GBP | Open to all investors | The GBP equivalent of EUR 100,000 on the primary market | N/A |

| | | | | | | |
|------------------------------|--------------|----------------------------------|-----|-----------------------|---|-----|
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to GBP - Dist | FR0013209970 | Accumulation and/or Distribution | GBP | Open to all investors | The GBP equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to CHF - Acc | FR0013209988 | Accumulation | CHF | Open to all investors | The CHF equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to CHF - Dist | FR0013209996 | Accumulation and/or Distribution | CHF | Open to all investors | The CHF equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount other than that which may be required by the exchange.

Sub-fund No. 14: Lyxor FTSE US Quality Low Vol Dividend (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency Eligible investors | Eligible investors | Minimum subscription / redemption (primary market) or purchase/sale (secondary market) | Listing exchange |
|----------------------------|--------------|-------------------------------------|-----------------------------|-----------------------|---|---|
| Acc | FR0013235249 | Accumulation | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Dist | FR0013235256 | Accumulation and/or Distribution | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market N/A on the secondary market ⁽¹⁾ | Bourse du Luxembourg, London Stock Exchange |
| Daily Hedged to EUR - Acc | FR0013235264 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to EUR - Dist | FR0013235272 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to GBP - Acc | FR0013235280 | Accumulation | GBP | Open to all investors | The GBP equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to GBP - Dist | FR0013235298 | Accumulation and/or Distribution | GBP | Open to all investors | The GBP equivalent of EUR 100,000 on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to CHF - Acc | FR0013235306 | Accumulation | CHF | Open to all investors | The CHF equivalent of 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to CHF - Dist | FR0013235314 | Accumulation and/or Distribution | CHF | Open to all investors | The CHF equivalent of 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) There is no minimum purchase or sale amount other than that which may be required by the exchange.

Sub-fund No. 15: LYXOR DJ GLOBAL TITANS 50 UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|---|
| Dist | FR0007075494 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market(1) | Euronext Paris, Wiener Boerse (Vienna), Borsa Italiana (Milan), London Stock Exchange |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 16: LYXOR SMI DAILY (-2X) INVERSE UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) and purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|------------------------|---|--------------------|
| Acc | FR0010869438 | Accumulation | CHF | Open to all investors. | The CHF equivalent of 100,000 EUR on the primary market N/A on the secondary market(1) | Six Swiss Exchange |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 17: LYXOR DAILY SHORTDAX X2 UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) and purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|---|
| Acc | FR0010869495 | Accumulation | EUR | Open to all investors | EUR 100,000 on primary market N/A | Euronext Paris, Deutsche Borse (Frankfurt), Six Swiss Exchange (Zurich), Borsa Italiana (Milan) |
| I-USD | FR0010883157 | Distribution and/or Accumulation | USD | Open to all investors | N/A N/A | N/A |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 18: LYXOR IBEX 35 DOBLE APALANCADO DIARIO UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) and purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|-------------------------|
| Acc | FR0011042753 | Accumulation | EUR | Open to all investors | EUR 100,000 on primary market N/A on the secondary market(1) | Bolsa de Madrid (Spain) |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 19: LYXOR IBEX 35 DOBLE INVERSO DIARIO UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) and purchase/sale (secondary market) | Listing exchange |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|-------------------------|
| Acc | FR0011036268 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market. N/A on the secondary market(1) | Bolsa de Madrid (Spain) |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 20: LYXOR NASDAQ-100 DAILY (2X) LEVERAGED UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|-------------------|
| Acc | FR0010342592 | Accumulation | EUR | Open to all investors | The USD equivalent of 100,000 EUR on the primary market. N/A on the secondary market(1) | Euronext Paris |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 21: LYXOR PEA PME (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|-------------------|
| Dist | FR0011770775 | Distribution and/or Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market N/A on the secondary market(1) | Euronext Paris |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 22: LYXOR RUSSELL 1000 GROWTH UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|---|
| Acc | FR0011119171 | Accumulation | USD | Open to all investors | On the primary market, the US dollar equivalent of 100,000 euros N/A on the secondary market(1) | Luxembourg Stock Exchange (Luxembourg), London Stock Exchange (London) |
| Dist | FR0011119155 | Accumulation and/or Distribution | USD | Open to all investors | On the primary market, the US dollar equivalent of 100,000 euros N/A on the secondary market(1) | N/A |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 23: LYXOR RUSSELL 1000 VALUE UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption | Listing exchanges |
|-------------|-----------|-------------------------------------|----------|--------------------|---|-------------------|
|-------------|-----------|-------------------------------------|----------|--------------------|---|-------------------|

| | | | | | | |
|------|--------------|----------------------------------|-----|-----------------------|--|--|
| | | | | | (primary market) or purchase/sale (secondary market) | |
| Acc | FR0011119205 | Accumulation | USD | Open to all investors | On the primary market, the US dollar equivalent of 100,000 euros | Luxembourg Stock Exchange (Luxembourg), London Stock Exchange (London) |
| | | | | | N/A on the secondary market(1) | |
| Dist | FR0011119213 | Accumulation and/or Distribution | USD | Open to all investors | On the primary market, the US dollar equivalent of 100,000 euros | N/A |
| | | | | | N/A on the secondary market(1) | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 24: LYXOR CAC 40 DAILY (2X) LEVERAGED UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|-------------------|
| Acc | FR0010592014 | Accumulation | EUR | Open to all investors | EUR 100,000 on primary market | Euronext (Paris) |
| | | | | | N/A on the secondary market(1) | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 25: LYXOR CAC 40 DAILY (-2X) INVERSE UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|-------------------|
| Acc | FR0010411884 | Accumulation | EUR | Open to all investors | EUR 100,000 on primary market | Euronext (Paris) |
| | | | | | N/A on the secondary market(1) | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 26: LYXOR CAC 40 DAILY (-1X) INVERSE UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|-------------------|
| Acc | FR0010591362 | Accumulation | EUR | Open to all investors | EUR 100,000 on primary market | Euronext (Paris) |
| | | | | | N/A on the secondary market(1) | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 27: LYXOR CAC MID 60 (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption | Listing exchanges |
|-------------|-----------|-------------------------------------|----------|--------------------|---|-------------------|
|-------------|-----------|-------------------------------------|----------|--------------------|---|-------------------|

| | | | | | | |
|------|--------------|----------------------------------|-----|-----------------------|--|------------------|
| | | | | | (primary market) or purchase/sale (secondary market) | |
| Dist | FR0011041334 | Distribution and/or Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | Euronext (Paris) |
| | | | | | N/A on the secondary market(1) | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 28: Lyxor Euro Overnight Return UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|---|
| Acc | FR0010510800 | Accumulation | EUR | Open to all investors | 100,000 euros on the primary market | Deutsche Boerse (Frankfurt), Euronext (Paris), Borsa Italiana (Milan), Bolsa de Madrid, SIX Swiss Exchange, London Stock Exchange |
| | | | | | N/A on the secondary market(1) | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 29: Lyxor World Water UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|--|
| Dist | FR0010527275 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 euros on the primary market | Euronext Paris, Deutsche Boerse (Frankfurt), Borsa Italiana (Milan), Bolsa de Madrid, Six Swiss Exchange (Zurich), London Stock Exchange |
| | | | | | N/A on the secondary market(1) | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 30: Lyxor EURO STOXX 50 Daily (-2X) Inverse UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|---|
| Acc | FR0010424143 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market | Euronext (Paris), Deutsche Borse (Frankfurt) Borsa Italiana (Milan) |
| | | | | | N/A on the secondary market(1) | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 31: Lyxor EURO STOXX 50 Daily(2X) Leveraged UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|-----------|-------------------------------------|----------|--------------------|--|-------------------|
|-------------|-----------|-------------------------------------|----------|--------------------|--|-------------------|

| | | | | | | |
|-----|--------------|--------------|-----|-----------------------|---|---|
| Acc | FR0010468983 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market ⁽¹⁾ | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan), Bolsa de Madrid, SIX Swiss Exchange (Zurich) |
|-----|--------------|--------------|-----|-----------------------|---|---|

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 32: Lyxor EURO STOXX 50 Daily(-1X) Inverse UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|---|
| Acc | FR0010424135 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market ⁽¹⁾ | Euronext (Paris), Deutsche Borse (Frankfurt), Borsa Italiana (Milan), Bolsa de Madrid |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 33: Lyxor FTSE MIB Daily(-2X) Inverse(XBEAR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|------------------------|
| Acc | FR0010446666 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market ⁽¹⁾ | Borsa Italiana (Milan) |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 34: Lyxor FTSE MIB Daily (2X) Leveraged UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|------------------------|
| Dist | FR0010446658 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market ⁽¹⁾ | Borsa Italiana (Milan) |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 35: Lyxor FTSE MIB Daily(-1X) Inverse (BEAR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|------------------------|
| Acc | FR0010446146 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market | Borsa Italiana (Milan) |

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|--|--|--|--|--|--|--|
| | | | | | N/A on the secondary market ⁽¹⁾ | |
|--|--|--|--|--|--|--|

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 36: Lyxor Bund Daily (-2x) Inverse UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|---|
| Acc | FR0010869578 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market ⁽¹⁾ | Euronext Paris, Borsa Italiana (Italy), Deutsche Boerse (Frankfurt) |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 37: Lyxor FTSE MIB UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|---|
| Dist | FR0010010827 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market ⁽¹⁾ | Borsa Italiana (Milan), Euronext (Paris), London Stock Exchange |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 38: Lyxor IBEX 35 (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|-------------------|
| Dist | FR0010251744 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market ⁽¹⁾ | Bolsa de Madrid |
| Acc | FR0012205672 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market N/A on the secondary market ⁽¹⁾ | N/A |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange.

Sub-fund No. 39: Lyxor MSCI Europe (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|-----------|-------------------------------------|----------|--------------------|---|-------------------|
| | | | | | | |

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|------|--------------|----------------------------------|-----|-----------------------|--|---|
| Dist | FR0010261198 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan), Six Swiss Exchange (Zurich), London Stock Exchange |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 40: Lyxor MSCI USA UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-----------------------------|--------------|-------------------------------------|----------|-----------------------|---|--|
| Dist | FR0010296061 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan), SIX Swiss Exchange (Zurich), LSE (London) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Acc | FR0011363423 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market | Euronext (Paris) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to EUR - Acc | FR0012969624 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 41: Lyxor MSCI World UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|------------------------------|--------------|-------------------------------------|----------|-----------------------|---|---|
| Dist | FR0010315770 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan), London Stock Exchange, Six Swiss Exchange (Zurich) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to EUR - Dist | FR0011660927 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market | Euronext (Paris) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Monthly Hedged to USD - Dist | FR0011669845 | Accumulation and/or Distribution | USD | Open to all investors | 100,000 EUR on the primary market | Luxembourg Stock Exchange, London Stock Exchange |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 42: Lyxor MSCI Emerging Markets UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|--|---|
| Acc | FR0010429068 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan) London Stock Exchange, Singapore Exchange, Six Swiss Exchange (Zurich), Luxembourg Stock Exchange |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Acc | FR0010435297 | Accumulation | USD | Open to all investors | 100,000 EUR on the primary market | London Stock Exchange, Singapore Exchange, Six Swiss Exchange (Zurich), Luxembourg Stock Exchange |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 43: Lyxor Japan(TOPIX) (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|----------------------------|--------------|-------------------------------------|----------|-----------------------|--|--|
| Dist | FR0010245514 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan), London Stock Exchange |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Dist | FR0010377028 | Accumulation and/or Distribution | JPY | Open to all investors | 100,000 EUR on the primary market | Six Swiss Exchange (Zurich) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to EUR - Dist | FR0011475078 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market | Euronext (Paris), Deutsche Boerse (Frankfurt), Borsa Italiana (Milan) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to EUR - Acc | FR0011871045 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 44: Lyxor CAC 40 (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/ redemption | Listing exchanges |
|-------------|-----------|-------------------------------------|----------|--------------------|---|-------------------|
|-------------|-----------|-------------------------------------|----------|--------------------|---|-------------------|

| | | | | | | |
|-------|--------------|----------------------------------|-----|--|--|--|
| | | | | | (primary market) or purchase/sale (secondary market) | |
| Dist | FR0007052782 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market | Euronext Paris (France), London Stock Exchange |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Acc | FR0013380607 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| J-EUR | FR0011122233 | Accumulation and/or Distribution | EUR | Open to all investors but more specifically intended for institutional investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 45: Lyxor EURO STOXX 50 (DR) UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|--------------------------------|--------------|-------------------------------------|----------|--|---|--|
| Dist | FR0007054358 | Accumulation and/or Distribution | EUR | Open to all investors | 100,000 EUR on the primary market | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan), Swiss Exchange (Zurich), Wiener Boerse (Vienna), LSE (London) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| J-EUR | FR0011554260 | Accumulation and/or Distribution | EUR | Open to all investors but more specifically intended for institutional investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| K-EUR | FR0011554286 | Accumulation and/or distribution | EUR | Open to all investors but more specifically intended for institutional investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Acc | FR0012399822 | Accumulation | EUR | Open to all investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Acc Daily Hedged to USD - Dist | FR0012399749 | Accumulation and/or distribution | USD | Open to all investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to GBP - Dist | FR0012399756 | Accumulation and/or distribution | GBP | Open to all investors | 100,000 EUR on the primary market | N/A |
| | | | | | | |

| | | | | | | |
|----------------------------|--------------|----------------------------------|-----|-----------------------|--|--|
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to CHF - Dist | FR0012399764 | Accumulation and/or distribution | CHF | Open to all investors | 100,000 EUR on the primary market | N/A |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to USD - Acc | FR0012399806 | Accumulation | USD | Open to all investors | 100,000 EUR on the primary market | London Stock Exchange (London), Luxembourg Stock Exchange (Luxembourg) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to GBP - Acc | FR0012399772 | Accumulation | GBP | Open to all investors | 100,000 EUR on the primary market | London Stock Exchange (London), Luxembourg Stock Exchange (Luxembourg) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Daily Hedged to CHF - Acc | FR0012399731 | Accumulation | CHF | Open to all investors | 100,000 EUR on the primary market | SIX Swiss Exchange (Zurich) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 46: Lyxor **PEA Obligations d'État Euro UCITS ETF**

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|-------------------|
| Act | FR0013346681 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | Euronext (Paris), |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Dist | FR0013346673 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market | Euronext (Paris), |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 47: Lyxor **MSCI Greece UCITS ETF**

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|---|
| Dist | FR0010405431 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 48: Lyxor **MSCI India UCITS ETF**

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|--|
| Acc (EUR) | FR0010361683 | Accumulation | EUR | Open to all investors | EUR 100,000 on the primary market | Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |
| Acc (USD) | FR0010375766 | Accumulation | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | Six Swiss Exchange (Zurich), SGX Singapore Stock Exchange, Luxembourg Stock Exchange |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 49: Lyxor Russell 2000 UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|--|
| Acc | FR0011119254 | Accumulation | USD | Open to all investors | The USD equivalent of EUR 100,000 on the primary market | London Stock Exchange, Luxembourg Stock Exchange, Euronext (Paris) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 50: Lyxor New Energy UCITS ETF

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription/redemption (primary market) or purchase/sale (secondary market) | Listing exchanges |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|--|
| Dist | FR0010524777 | Accumulation and/or Distribution | EUR | Open to all investors | EUR 100,000 on the primary market | Euronext Paris, Deutsche Boerse (Frankfurt), Borsa Italiana (Milan), Six Swiss Exchange (Zurich) |
| | | | | | N/A on the secondary market ⁽¹⁾ | |

(1) No minimum buy/sale amount is required other than that which may be required by the exchange

Sub-fund No. 51: Planet Monde

| Share class | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum amount for subscription or redemption |
|-------------|--------------|-------------------------------------|----------|-----------------------|---|
| Acc | FR0013431129 | Accumulation | EUR | Open to all investors | 100 EUR |

WHERE TO OBTAIN THE MOST RECENT ANNUAL AND INTERIM REPORTS

Shareholders will be sent the most recent annual documents and the asset inventory within eight business days after submitting a written request to:
LYXOR INTERNATIONAL ASSET MANAGEMENT.
17 Cours Valmy - 92987 Paris La Défense France
E-mail: contact@lyxor.com.
More information can be requested on Lyxor's website at www.lyxoretf.com

SERVICE PROVIDERS

ASSET MANAGEMENT BY DELEGATION / MANAGEMENT COMPANY

LYXOR INTERNATIONAL ASSET MANAGEMENT.(hereafter the "Delegated Asset Manager" or the "Management Company").
A French simplified joint-stock company (Société par Actions Simplifiée - SAS.
Registered office: 17 Cours Valmy - 92987 Paris La Défense France.
Postal address: Tour Société Générale - S06.133 - 17, Cours Valmy - 92987 Paris-La Défense Cedex – FRANCE.

Remuneration

The Management Company has established a remuneration policy that complies with current regulations. This policy is consistent with the objectives, values and interests of the management company, of the funds it manages and of the investors in these funds, and includes measures intended to avoid conflicts of interest.

The management company's remuneration policy provides a balanced framework where the remuneration of the relevant employees is based on the following principles:

- The management company's remuneration policy is consistent with sound and effective risk management, encourages such management and does not encourage risk-taking that would be incompatible with the risk profiles, this prospectus or the other constitutional documents of the funds which the management company manages;
- The remuneration policy was approved by the management company's supervisory board, which reviews the policy's general principles at least once a year;
- The remuneration of internal control personnel is based on the achievement of control objectives and is independent of the financial performance of the business activities controlled;
- When remuneration is performance-based, its total amount is determined on the basis of the assessed performance of the individual employee, his or her operating unit and the relevant funds in accordance with their risk exposure, and on the basis of the management company's overall performance when individual employee performance is assessed, while taking into account both financial and non-financial criteria;
- An appropriate balance must be established between the fixed and variable components of the total remuneration;
- Above a certain threshold, a substantial part of remuneration, and in any case at least 50% of the entire variable component, shall depend on exposure to an index the components and functioning of which ensure that the interests of employees are aligned with those of investors;
- Above a certain threshold a substantial part of remuneration, and in any case at least 40% of the entire variable component, shall be deferred for an appropriate time;
- The variable remuneration, including the deferred portion, shall only be paid or shall only vest if such payment or vesting is consistent with the management company's overall financial situation, and if such payment or vesting is justified by the performance of the operating units, the funds and the relevant employee.

Up-to-date information on the remuneration policy may be found on the Internet at: <http://www.lyxor.com/fr/menu-corporate/nous-connaître/mentions-reglementaires/>

THE DEPOSITARY AND CUSTODIAN

The Depositary is Société Générale S.A., acting through its Securities Services department (the "Depositary"). Société Générale, which has its registered office at 29, boulevard Haussmann in Paris (75009), is registered in the Paris trade register under No. 552 120 222, has been approved by the French Prudential Supervision and Resolution Authority (the ACPR) and is also subject to the supervision of the French Financial Markets Authority (the AMF).

The Depositary's duties and potential conflicts of interest

The Depositary is responsible for three things — monitoring the compliance of the management company's decisions, holding the assets of investment funds in custody and monitoring the cash flows of these investment funds.

The Depositary's main objective is to protect the interests of each fund's shareholders and investors.

Potential conflicts of interest may be identified, particularly if the Management Company maintains a business relationship with Société Générale that extends beyond the latter's Depositary duties, for example, if the Management Company delegates to Société Générale the task of calculating the net asset value of the funds of which Société Générale is the Depositary, or when there is a group relationship between the Management Company and the Depositary.

In order to manage such situations, the Depositary has setup and maintains a policy for managing conflicts of interest which serves to:

- Identify and examine potential conflict-of-interest situations;
- Record, manage and follow up conflict-of-interest situations, by:
 - (i) using ongoing measures to deal with conflicts of interest, such as segregating duties, separating line and staff functions, monitoring "insiders", and using dedicated IT environments;
 - (ii) and also, on a case-by-case basis:
 - (a) implementing appropriate preventive measures such as drawing up ad hoc "watch lists", setting up Chinese walls, checking that transactions are dealt with appropriately, and/or informing any clients who may be affected;

- (b) or otherwise, refusing to engage in activities that may result in a conflict of interest.

Custodial functions which the Depositary may delegate, delegates and sub-delegates, and the identification of conflicts of interest that may require such delegation

The Depositary is responsible for the custody of assets (as defined under Article 22.5 of Directive 2009/65/EC as amended by Directive 2014/91/EU). In order to provide custodial services in a large number of countries and enable investment funds to achieve their investment objectives, the Depositary has appointed sub-custodians in the countries where the Depositary normally does not have a direct local presence. These entities are listed at http://www.securitiesservices.societegenerale.com/uploads/tx_bisgnews/Global_list_of_sub_custodians_for_SGSS_2016_05.pdf.

In accordance with Article 22 bis 2. of the UCITS V directive, the process for appointing and supervising sub-custodians complies with the highest standards of quality and includes the management of potential conflicts of interest that may arise when sub-custodians are appointed. The Depositary has prepared an effective policy for identifying, preventing and managing conflicts of interest in compliance with national and international regulations and international standards.

The delegation of the Depositary's custodial functions may result in conflicts of interest. The latter have been identified and are monitored. The Depositary's conflict-of-interest policy includes measures to prevent the occurrence of conflict-of-interest situations and to ensure that, in the course of its business activities, the Depositary always acts in the best interests of the investment funds. These preventive measures consist most notably in ensuring the confidentiality of the information exchanged, physically separating activities that may result in a conflict of interest, determining and classifying remuneration and pecuniary and non-pecuniary benefits, and implementing a policy and measures that govern the Acceptance of gifts and hospitality.

Investors may obtain the most recent information on the above policy measures upon request.

TRANSFER AGENT AND REGISTRAR

By delegation from Lyxor International Asset Management:
SOCIÉTÉ GÉNÉRALE.

A credit institution founded on 4 May 1864 by special decree of Napoleon III.

Registered office: 29, bd Haussmann - 75009 Paris – FRANCE.

Postal address: 32 rue du champ de tir - 44000 Nantes - France

AUDITOR

PRICEWATERHOUSECOOPERS AUDIT.

A French joint-stock company.

Registered office: 3, rue de Villiers - 92208 Neuilly-sur-Seine - France.

Signatory: Marie-Christine Jetil.

ADMINISTRATION AND ACCOUNTING

LYXOR INTERNATIONAL ASSET MANAGEMENT will delegate the Fund's administration and accounting to:

Société Générale

A credit institution founded on 4 May 1864 by special decree of Napoleon III.

Registered office: 29, bd Haussmann - 75009 Paris – FRANCE.

The services that Société Générale provides to Lyxor International Asset Management consist of assisting it with the Sub-fund's administration and accounting, and more specifically in calculating its net asset value and in providing the information and materials required to prepare its annual reports, regulatory filings and statistics for the Banque de France.

MARKET MAKER

The following financial institution (the "Market Maker") is responsible for making a market in the shares of the Sub-fund's sub-funds.:

Société Générale Corporate and Investment Banking - Tour Société Générale, 17 Cours Valmy, 92987 Paris-La Défense, FRANCE.

An up-to-date list of the Fund's Market Makers is available on the Internet at www.lyxoretf.com.

MEMBERS OF THE EXECUTIVE AND SUPERVISORY BODIES

BOARD OF DIRECTORS

Chairman and Director: Arnaud Llinas.

Director: Lyxor Asset management, represented by Lionel Paquin

Director: Société Générale, represented by Tanguy Aumon

Director: Gregory Berthier

MANAGING DIRECTOR

Arnaud Llinas

SHARE CHARACTERISTICS

Shares are registered with a central securities depository in the name of the entities that keep the Accounts of share-holders on their behalf. The Fund's register is kept by the Depositary.

The shares of the MULTI UNITS FRANCE fund are representative of each sub-fund's assets and each sub-fund share is entitled to a portion of the sub-fund's assets and profits that is proportional to the fraction of the sub-fund's assets that the share represents. Shareholder rights and obligations remain attached to the share, regardless of the holder.

Unless otherwise agreed and notified to the Company, these voting rights are to be exercised by the beneficial holder at annual general meetings and by the bare owner at extraordinary general meetings.

Shares may be held in either bearer or registered form at the investor's option.

Shares can be divided, if so decided by the board of directors, into fractions of 10ths, 100ths, 1000ths, 10,000ths, or 100,000ths, known as share fractions.

BALANCE SHEET DATE

The last business day in France in October.
First balance sheet date: 31 October 2005.

TAXATION

Investors should note that the following information is just a general summary of the applicable tax regime, under current French law, for investment in a French SICAV fund. Investors are therefore advised to consider their specific situation with their usual tax advisor.

1. Taxation of the Sub-fund

In France, although established in the form of a limited liability company, SICAVs are expressly exempt from corporate tax on the profits generated within the framework of their legal purpose. Income received and generated by the Sub-fund through its management activities is not therefore taxable at the level of the Sub-fund.

Outside France (in the countries in which the Sub-fund invests), capital gains on the disposal of foreign negotiable securities and income from foreign sources received by the Sub-fund through its management activities may, if applicable, be subject to tax (generally in the form of withholding tax. In certain limited cases, foreign taxation may be reduced or cancelled in the presence of any applicable tax treaties.

2. Taxation of Sub-fund share-holders

2.1 Shareholders resident in France

The Sub-fund's distributions to French residents, as well as capital gains or losses, are subject to prevailing tax legislation. Investors are advised to consider their specific situation with their usual tax advisor.

2.2 Non-French resident share-holders

The terms of a tax treaty or lack thereof may make the Sub-fund's distributions subject to a standard deduction at source or withholding tax in France.

Moreover, capital gains realised on the purchase/disposal of sub-fund shares are generally tax-exempt.
Share-holders resident outside France will be subject to the applicable tax legislation in their country of residence.

INFORMATION ON THE AUTOMATIC AND COMPULSORY EXCHANGE OF TAX INFORMATION

The management company may collect and report to tax authorities information that concerns investors in the Fund for the sole purpose of complying with Article 1649 AC of the French General Tax code and with Council Directive 2014/107/EU of 9 December 2014 which amended Directive 2011/16/EU on the automatic and compulsory exchange of tax information.

Investors are entitled to access information that concerns them and have this information corrected or deleted if necessary and may exercise these rights vis-à-vis the financial institution pursuant to the French data privacy act of 6 January 1978 (the "loi information et libertés") but also agree to provide the information the financial institution requires for its reporting purposes.

INFORMATION CONCERNING THE FOREIGN ACCOUNT TAX COMPLIANCE ACT ("FATCA")

France and the United States have concluded a Model I intergovernmental agreement ("IGA"), to enable the enforcement in France of the U.S. Foreign Account Tax Compliance Act ("FATCA"), the purpose of which is to prevent tax evasion by U.S. taxpayers who hold financial assets abroad. The term "U.S. taxpayer" means a U.S. citizen or resident individual, a partnership or corporation organised in the United States or under the laws of the United States or any State thereof, a trust if (i) a court located in the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more U.S. taxpayers have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States

The Sub-fund has been registered with the U.S. tax authorities as a "reporting financial institution". As such, the Sub-fund is required, as of 2014, to report information to the U.S. tax authorities concerning certain asset holdings of, or payments to, certain U.S. taxpayers or non-U.S. financial institutions that are considered as non-participating to FATCA, via automatic information exchange between French and U.S. tax authorities. Investors will be responsible for certifying their FATCA status with their financial intermediary or with the management company, as applicable.

Since the Sub-fund will observe its obligations under IGA as implemented in France, it will be considered FATCA compliant and should therefore be exempt from withholding tax under FATCA on certain U.S. source income or products.

It is recommended that investors whose shares are held by a custodian in a jurisdiction that is not a party to an IGA ask their custodian what the custodian's intentions are with respect to FATCA. Some custodians may require additional information from investors to comply with their obligations under FATCA or with the obligations of the custodian's jurisdiction. Moreover, the scope of obligations under FATCA or under an IGA may vary depending on the custodian's jurisdiction. Investors should therefore seek advice from their financial advisor.

SUB-FUND No. 1: LYXOR BEL 20 TR (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Share class: FR0000021842

CLASSIFICATION

Eurozone country equities.

The Lyxor UCITS ETF BEL 20 TR (DR) UCITS ETF sub-fund (hereinafter the "Sub-fund") will constantly maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, including the French equity market.

The Sub-fund is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

The Sub-fund was approved by the Commission des Opérations de Bourse on 14 June 2002 and was established on 31 July 2002.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the Bel 20 NR™ index (the "Benchmark Index"), denominated in euros, while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.20%.

BENCHMARK INDEX

The Benchmark Index is the BEL 20™ NR (Net Return) index with net dividends reinvested, which means that the Benchmark Index's performance includes the net dividends paid by its underlying equities.

The Benchmark Index is a basket index, disseminated in real-time, which monitors the continuous evolution of the prices of the 20 most liquid Belgian equities. The stocks of the Benchmark Index are weighted according to their free-float adjusted market capitalisation. The Benchmark Index is continuously disseminated in real-time, but the official closing index is only disseminated after 5.40 p.m.

The performance tracked is that of the Benchmark Index's closing price.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at <https://www.euronext.com>.

Benchmark Index composition and revision

The composition of the Benchmark Index is revised annually.

The exact composition of the Benchmark Index and Euronext Paris's rules for its revision are available on its website at <https://www.euronext.com>.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index's closing price is available on the Internet at [www: https://indices.nyx.com/](https://indices.nyx.com/)

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Euronext, the administrator of the Bel 20 NR™ benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will use a direct replication method, which means that it will invest mainly in the Benchmark Index's constituents.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative instrument financials (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's **tracking error**.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index 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 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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 managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will comply with the investment rules set out in European Directive 2009/65/EC of 13 July 2009.
The Sub-fund will mainly be invested in the securities that make up the Benchmark Index.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.
To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivatives traded on a regulated market or over the counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
Expected proportion of assets under management for which securities financing transactions may be entered into: 10% of the Sub-fund's assets.

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a subsidiary of the group of which Société Générale is a subsidiary and is therefore tied to the Agent.

The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating costs.

These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating costs/charges and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.

Income from the lending of securities will be paid to the Sub-fund after deduction of the direct and indirect operating costs/charges borne by the Agent and possibly by the management company. Since these direct and indirect operating expenses do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income generated by efficient portfolio management techniques over the relevant period, and any associated direct and indirect operating costs or expenses.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged .

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;

- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see section 7 on "Securities financing transactions"), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund's behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shares in the sub-fund are mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Concentration risk

The Sub-fund replicates the performance of a Benchmark Index that has a relatively small number of components. Exposure to such a benchmark index that offers little diversity may result in greater volatility than exposure to a more diversified index and in a higher risk of illiquidity if market liquidity begins to deteriorate or if one or more of the components of the Benchmark Index is suspended from trading.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund. The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that (i) EPMT transactions may be entered into with Société Générale (which is a subsidiary of the same group as the Management Company) and/or (ii) that Société Générale may be appointed the Sub-fund's agent for EPMT.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from securities financing transactions as indicated in EU Regulation No. 2015/2365.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with listing exchanges

The Sub-fund may be listed on an exchange or multilateral trading facility in a currency that is not the currency of the Benchmark Index. Investors who purchase shares in the Sub-fund in a currency that is not that of the Benchmark index are exposed to currency risk. As a result, due to changes in exchange rates the value of an investment that is made in a currency other than that of the Benchmark Index may decrease even though the value of the Benchmark Index increases.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in this Sub-fund are seeking exposure to the Belgian equity market.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CURRENCIES

The currency of the share class is the euro (EUR).

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

The Board of Directors reserves the right to accumulate and/or distribute all or part of all distributable amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

A whole number of shares must be redeemed.

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

The Sub-fund's net asset value is calculated using the Benchmark Index's fixing at 5.30 pm in EUR.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.08% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the «Key Information» section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the NAV per share multiplied by the number of shares subscribed, payable to third parties. |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | 0.15% ⁽¹⁾ |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% of the NAV per share multiplied by the number of shares redeemed, payable to third parties. |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | 0.06% ⁽¹⁾ |

(1) The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.
- Direct and indirect costs/charges of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------|----------------|
| Asset management fees and administrative fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.50% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |

| | | |
|--|------------------------------------|---|
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Direct and indirect costs/charges of securities financing transactions | The income from these transactions | 20% for the Management Company 15% for the Agent |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

"BEL20" is a registered trademark of Euronext that refers to an index that it calculates and publishes. Euronext provides no warranty or guarantee in respect of the value of this index at any given time, nor in respect of the return or performance of the product that tracks this index.

ADDITIONAL INFORMATION

The Sub-fund's shares are accepted for clearing by Euroclear France S.A. Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Multi Units France prospectus, the Key Investor Information Document, the most recent annual reports and the asset inventory statement will be sent to investors within eight business days upon written request to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Multi Unit France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros

SUB-FUND No. 2: Lyxor BTP Daily (2x) Leveraged UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Share class: FR0011023639

CLASSIFICATION

Bonds and other debt securities denominated in euros.

The Lyxor BTP Daily (2x) Leveraged UCITS ETF sub-fund (hereinafter the "Sub-fund") is continuously exposed to fixed-income securities denominated in euros. Exposure to equity risk does not exceed 10% of the net assets.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l'Autorité des Marchés Financiers (the French financial markets authority) on 6 April 2011 and was established on 27 April 2011.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to give exposure (positive or negative), with daily 2x leverage, to Italian sovereign bonds having a residual maturity of 8.5 to 11 years, by replicating the performance of the Solactive BTP Daily (2x) Leveraged Index (the "Benchmark Index"), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.02%.

BENCHMARK INDEX

The Benchmark Index is a strategy index developed by Solactive AG using a proprietary methodology. It is calculated and maintained by Solactive AG.

The Benchmark Index provides exposure to the performance, whether positive or negative, of Italian sovereign bonds having a residual maturity of 8.5 to 11 years, using Long-Term EUR-BTP futures as a representative index, with 2x daily leverage. Accordingly, if Long-Term EUR-BTP futures rise on a given trading day, the Sub-fund's net asset value should increase by twice the amount that day, and if the Long-Term EUR-BTP futures fall on a given trading day, the Sub-fund's net asset value should fall by twice that amount that day and shareholders will not benefit from the rise of the Long-Term Euro-BTP futures.

Long-Term EUR-BTP futures are a representative indicator of Italian sovereign bonds having a residual maturity of 8.5 to 11 years and an initial maturity of less than 16 years. They are listed on Eurex and their methodology is available on www.eurexchange.com

The Benchmark Index's daily performance is twice that of the Long-Term EUR-BTP futures, plus the interest (at the reference rate) paid daily on the fixing of previous day's Benchmark Index.

The Benchmark Index therefore represents a long position on Long-Term EUR-BTP futures with 2x leverage and daily adjustment. The index may be further adjusted during a trading session if it falls by more than 40%, i.e. if the absolute daily decline in Long-Term EUR-BTP futures exceeds 20%.

The performance tracked is the Benchmark Index closing 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 Sub-fund's performance in comparison with the gross performance of the long positions on the underlyings of the aforementioned futures, particularly in the case of a long-term investment in the Sub-fund.

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at www.solactive.fr

Benchmark Index composition and revision

The Benchmark Index is revised daily.

The frequency of the aforementioned adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark Index publication

The Benchmark Index is calculated daily using the Long-Term EUR-BTP futures fixing at 5.15 pm.

The Benchmark Index's fixing is available on the index provider's website at <https://www.solactive.com>.

Pursuant to Article 34 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Solactive AG, the administrator of the Solactive BTP Daily (2x) Leveraged Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

Investors in this Sub-fund gain exposure, with a daily 2x leverage (positive or negative), to the performance of the Italian sovereign bond market, of which the Benchmark Index is a representative indicator.

The Sub-fund will mainly be invested in bonds issued by an OECD member country or by a non-governmental issuer in an OECD country.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by a given OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund holds at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area.

| | |
|--|--|
| Sub-fund's targeted interest-rate sensitivity | From 10 to 22 |
| Currencies in which the Sub-fund's securities are denominated | EUR: from 0 to 100% of net assets Other: from 0 to 100% of net assets |
| Foreign exchange risk to which the Sub-fund is exposed | 0% maximum of net assets. |
| Geographic regions of the issuers of the securities to which the Sub-fund is exposed | Eurozone: from 0 to 100% of net assets Emerging countries: 0% of net assets |

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, international securities (equities and bonds) denominated in one of the currencies of the OECD countries.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

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

- eligibility criteria and in particular:
 - o senior debt
 - o fixed maturity
 - o maximum residual maturity
 - o minimum issuance size
 - o minimum S&P or equivalent credit rating
- diversification criteria, and in particular with respect to:
 - o the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - o geographic
 - o sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or of any other financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price;
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance
- (d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20 % of the Sub-fund's net asset value
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (ii) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (iii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iv) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (v) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (vi) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vii) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;

- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- deposited with an authorised institution
- invested in high-quality government bonds
- used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Interest rate risk

The price of a bond can be affected by unexpected changes in the level of interest rates, which in particular may modify the shape of the yield curve in particular. The bonds that make up the Benchmark Index are exposed to changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise.

- Daily leverage adjustment risk

Investors are exposed to two times the daily changes which affect the price or level of the BTP futures that underlie the Benchmark Index. In particular, any decrease in the underlying market will be amplified and will imply a larger decrease in the Sub-fund's net asset value. Since the 'leverage' index formula is reset daily, over a period of more than one trading day the Sub-fund's return will not be twice that of the BTP futures that underlie the Benchmark Index

For example, if the BTP futures underlying the Benchmark Index are subject to an increase of 10% on trading day one, followed by a decrease of 5% on trading day two, the Sub-fund will be subject to a total increase of 8% (before fees) over the two trading days, while the BTP futures underlying the Benchmark Index will be subject to an increase of 4.5% over the same period.

If the BTP futures underlying the Benchmark Index are subject to a decrease of 5% per day over two consecutive trading days, the Sub-fund will see a total decrease of 19% (before fees), while the BTP futures underlying the Benchmark Index will see a decrease of 9.75% over the same period.

Scenario 1 - negative leverage: The negative leverage effect is greater than 1 and the Benchmark Index underlying rises

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|---------------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 10% | 110 | 20% | 120 | x2 |
| Day 2 | -11% | 97.9 | -22% | 93.6 | x2 |
| Total return | -2.10% | | -6.40% | | x3.05 |

Scenario 2 - negative leverage: The negative leverage effect is less than 2 and the Benchmark Index underlying rises

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|---------------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | -5% | 95 | -10% | 90 | x2 |
| Day 2 | 6% | 100.7 | 12% | 100.8 | x2 |
| Total return | 0.70% | | 0.80% | | x1.14 |

Furthermore, it is possible that if the Benchmark Index underlying is highly volatile over a period of more than one day the Sub-fund's net asset value may decline, even though the Benchmark Index underlying rose over this period.

Scenario 3 – inverse leverage: Case where the resulting leverage is negative over the period:

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|---------------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 20% | 120 | 40% | 140 | x2 |
| Day 2 | -16% | 100.8 | -32% | 95.2 | x2 |
| Total return | 0.80% | | -4.80% | | x-6 |

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

– Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- (v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- (vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

– Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

– Capital risk:

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

– Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

– Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

– Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

– Low diversification risk:

The Benchmark Index to which investors are exposed represents only the Italian sovereign bond market, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

– Credit risk

This is the risk that a credit-rating agency could lower an issuer's credit rating, which would adversely affect the price of the issuer's bond and increase the issuer's default risk. The Sub-fund is exposed to Italy's sovereign credit risk.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in the Sub-fund are seeking exposure to the performance, whether positive or negative, of Italian sovereign bonds having a residual maturity of 8.5 to 11 years, with 2x daily leverage.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor. The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares. Only a whole number of shares may be redeemed.

SHARE CURRENCY

The share class currency is the euro (EUR)

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a “Primary Market Day”), and will be executed at the net asset value on that Primary Market Day, hereinafter the “reference NAV”. Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a number of shares that represents at least 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French trading days (as defined below) upon receipt of the subscription or redemption order.

Date and frequency of NAV calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed fund that are purchased on the secondary market cannot generally be directly sold back to that fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares or units in the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled “SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)”.

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled “SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)”, redemptions made in the primary market in this case shall only be subject to a net redemption fee of 3% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV").

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

The Long-Term EUR-BTP futures prices used to calculate the Benchmark Index and therefore to determine the iNAV, is provided to Reuters by Eurex.

If Eurex is closed (on a public holiday on the TARGET calendar), the Benchmark Index price cannot be determined, the net asset value can no longer be calculated and trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's asset manager, will provide Euronext with all the financial and accounting data that Euronext Paris SA needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV for the following Trading Day, which is updated in real time.

- b) If the shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the asset manager, the marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES:

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, generally by the depositary or the asset manager.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Lyxor BTP Daily (2x) Leveraged UCITS ETF is a French Sub-fund that has been approved by l'Autorité des Marchés Financiers. The Sub-fund's prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Solactive AG, which assumes no obligation and provides no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index and/or the Benchmark Index brand or of the level the Benchmark Index may reach at any given time or date, or of any other type. The Benchmark Index is calculated and published by Solactive AG, which does its best to ensure that the Benchmark Index is calculated correctly. Regardless of its obligations to the issuer, Solactive AG is in no way whatsoever obliged to inform any third party, including the Sub-fund's investors and financial intermediaries, of any errors that may affect the Benchmark Index. Solactive AG's publication of the Benchmark Index and the licence to use the Benchmark Index or its brand in respect of the Sub-fund may in no way be construed to be a recommendation by Solactive AG to invest in the Sub-fund's shares or a warranty or an opinion provided by Solactive AG in respect of an investment in the Sub-fund's shares. Solactive AG shall not be liable for the consequences of any views or opinions that may be based on this statement nor for any omission.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Multi Unit France fund annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The Multi Units France fund prospectus, the Key Investor Information Document and the most recent annual documents will be sent to investors within eight business days upon written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the above, securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund holds at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 3: Lyxor Bund Daily (2x) Leveraged UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Share class: FR0011023654

CLASSIFICATION

Bonds and other debt securities denominated in euros.

The Lyxor Bund Daily (2x) Leveraged UCITS ETF sub-fund (the "Sub-fund") is continuously exposed to fixed-income securities denominated in euros. Exposure to equity risk does not exceed 10% of the net assets.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l'autorité des Marchés Financiers (the French financial markets authority) on 6 April 2011, and was established on 27 April 2011.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide exposure to the daily performance, whether positive or negative, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years, with daily 2x leverage, by replicating the performance of the Solactive Bund Daily (2x) Leveraged Index (the '**Benchmark Index**'), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected tracking error, monitored ex-post under normal market conditions is 0.02%.

BENCHMARK INDEX

The Benchmark Index is a strategy index developed by Solactive AG using a proprietary methodology. The Benchmark Index is calculated and maintained by Solactive AG.

The Benchmark Index provides exposure, with daily 2x leverage, to the performance, whether positive or negative, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years, of which Euro-Bund futures contracts are a representative indicator. Accordingly, if EUR-Bund futures rise on a given trading day, the Sub-fund's net asset value should rise twice as much that day, and if EUR-Bund futures fall on a given trading day, the Sub-fund's net asset value should fall by twice as much that day, and share-holders will not profit from the fall of Euro-Bund futures.

Euro-Bund futures are a representative indicator of the performance of German sovereign bonds having a residual maturity of 8.5 to 10.5 years. They are traded on Eurex. The methodology employed is available at www.eurexchange.com.

The Benchmark Index's daily performance is twice that of the EUR-Bund futures, plus the interest (at the reference rate) paid daily on the Benchmark Index's fixing the previous day.

This index is therefore representative of a long position on Euro-Bund futures, with 2x leverage and daily adjustment. The index may be further adjusted during a trading session if it falls by more than 40%, i.e. if the absolute daily decline in EUR-Bund futures exceeds 20%.

The performance tracked is that of the Benchmark Index's closing fixing in euros.

Since the methodology used to calculate the Benchmark Index is not based on direct investment in Bunds 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 Sub-fund's performance in comparison with the gross performance of the long 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 www.solactive.com.

Benchmark Index composition and revision

The Benchmark Index is rebalanced daily.

The frequency of the aforementioned adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark Index publication:

The Benchmark Index is calculated daily using the official closing fixing of Euro-Bund futures at 5.15 pm.

The Benchmark Index's fixing is available on the Internet at <http://www.solactive.com>.

Pursuant to Article 34 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Solactive AG, the administrator of the Solactive BTP Daily (2x) Leveraged Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

Investors subscribing to this sub-fund gain inverse exposure, with a daily 2x leverage, to increases and decreases in the performance of the 10-year (average) German Government bond market, of which the Bund is a representative indicator.

The Sub-fund's securities will be mainly those that make up the Benchmark Index, and also other international equities, in all economic sectors and listed in all markets, including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by a non-OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, securities issued by a given sovereign issuer may account for up to 35% of assets, and 100% of assets if the Sub-fund holds at least six issues none of which exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area.

| | |
|--|--|
| Sub-fund's targeted interest-rate sensitivity | From 10 to 22 |
| Currencies in which the Sub-fund's securities are denominated | EUR: up to 100% of net assets Other: up to 100% of net assets |
| Foreign exchange risk to which the Sub-fund is exposed | 0% maximum of net assets. |
| Geographic regions of the issuers of the securities to which the Sub-fund is exposed | Eurozone: up to 100% of net assets Emerging countries: 0% of net assets |

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, international securities (equities and bonds) denominated in an OECD currency.

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

- senior debt
- fixed maturity
- maximum residual maturity
- minimum issuance size
- minimum S&P or equivalent credit rating
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geographic
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset in the Sub-fund) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.

- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10 % of its net assets.

7. Securities financing transactions

The Sub-fund shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied
- The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance
- This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20 % of the Sub-fund's net asset value
- The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Interest rate risk

The price of a bond can be affected by unexpected changes in the level of interest rates, which in particular may modify the shape of the yield curve in particular. The bonds that make up the Benchmark Index are exposed to changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise.

- Daily leverage adjustment risk

Investors are exposed to two times the daily changes which affect the price or level of the Euro-Bund futures that underlie the Benchmark Index. In particular, any decrease in the underlying market will be amplified and will imply a larger decrease in the Sub-fund's net asset value. Since the 'leverage' index formula is reset daily, over a period of more than one trading day the Sub-fund's return will not be twice that of the Euro-Bund futures that underlie the Benchmark Index

For example, if the Euro-Bund futures underlying the Benchmark Index are subject to an increase of 10% on trading day one, followed by a decrease of 5% on trading day two, the Sub-fund will be subject to a total increase of 8% (before fees) over the two trading days, while the Euro-Bund futures underlying the Benchmark Index will be subject to an increase of 4.5% over the same period.

If the Euro-Bund futures underlying the Benchmark Index are subject to a decrease of 5% per day over two consecutive trading days, the Sub-fund will see a total decrease of 19% (before fees), while the Euro-Bund futures underlying the Benchmark Index will see a decrease of 9.75% over the same period.

Scenario 1 - negative leverage: The negative leverage effect is greater than 1 and the Benchmark Index underlying rises

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|--------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 10% | 100 | 20% | 100 | x2 |
| Day 2 | -11% | 97.9 | -22% | 93.6 | x2 |
| Total return | -2.10% | | -6.40% | | x3.05 |

Scenario 2 - negative leverage: The negative leverage effect is less than 2 and the Benchmark Index underlying rises

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|---------------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | -5% | 100 | -10% | 100 | x2 |
| Day 2 | 6% | 95 | 12% | 90 | |
| | | 100.7 | | 100.8 | x2 |
| Total return | 0.70% | | 0.80% | | x1,14 |

Furthermore, it is possible that if the Benchmark Index underlying is highly volatile over a period of more than one day the Sub-fund's net asset value may decline, even though the Benchmark Index underlying rose over this period.

Scenario 3 – inverse leverage: Case where the resulting leverage is negative over the period:

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|---------------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 20% | 100 | 40% | 100 | x2 |
| Day 2 | -16% | 120 | -32% | 140 | |
| | | 100.8 | | 95.2 | x2 |
| Total return | 0.80% | | -4.80% | | x-6 |

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value

A 'Benchmark Index event' includes but is not limited to the following situations:

- the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- the Benchmark Index is permanently cancelled by the index provider
- the index provider is unable to indicate the level or value of the Benchmark Index

- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- (v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- (vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Low diversification risk:

The Benchmark Index to which investors are exposed represents only the Italian sovereign bond market, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Credit risk

This is the risk that a credit-rating agency could lower an issuer's credit rating, which would adversely affect the price of the issuer's bond and increase the issuer's default risk. The Sub-fund is exposed to Italy's sovereign credit risk.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in the Sub-fund are seeking exposure to the performance, whether positive or negative and with daily 2x leverage, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares
Only a whole number of shares may be redeemed.

SHARE CURRENCY

The share class currency is the euro (EUR).

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for shares must be for a number of shares that represents at least 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares or units in the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 3% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and in compliance with the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the shares of undertakings for collective investments in transferable securities may be admitted to trading provided that these undertakings have a system to ensure that the market price of their shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris will calculate and publish, each Trading Day during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (from 9:00 am to 5:30 pm), Euronext Paris will use the Benchmark Index value published by Reuters.

The market prices of the Bund futures used to calculate the level of the Benchmark Index, and therefore determined the iNAV are supplied to Reuters by Eurex.

If Eurex is closed (on a public holiday on the TARGET calendar), the Benchmark Index is no longer published, the iNAV cannot be calculated and trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time the following Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern the share class. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all the Sub-fund's share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on exchanges such as those indicated in the "Key Information" section are advised to familiarise themselves with the following guidelines set forth by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the asset manager, the marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, generally by the depositary or the asset manager.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.20% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Lyxor Bund Daily (2x) Leveraged UCITS ETF is a French Sub-fund that has been approved by l' Autorité des Marchés Financiers. The Sub-fund's prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Solactive AG, which assumes no obligation and provides no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index and/or the Benchmark Index brand or of the level the Benchmark Index may reach at any given time or date, or of any other type. The Benchmark Index is calculated and published by Solactive AG, which does its best to ensure that the Benchmark Index is calculated correctly. Regardless of its obligations to the issuer, Solactive AG is in no way whatsoever obliged to inform any third party, including the Sub-fund's investors and financial intermediaries, of any errors that may affect the Benchmark Index. Solactive AG's publication of the Benchmark Index and the licence to use the Benchmark Index or its brand in respect of the Sub-fund may in no way be construed to be a recommendation by Solactive AG to invest in the Sub-fund's shares or a warranty or an opinion provided by Solactive AG in respect of an investment in the Sub-fund's shares. Solactive AG shall not be liable for the consequences of any views or opinions that may be based on this statement nor for any omission.

ADDITIONAL INFORMATION

The Sub-fund's shares are accepted for clearing by Euroclear France S.A.

Subscription and redemption orders must be sent in by the investors' financial intermediary (a member of Euroclear France S.A.) to the Depositary.

The Multi Units France fund prospectus, the Key Investor Information Document and the most recent annual documents will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the asset manager's website and in the Multi-Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009 .

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code and in compliance with the risk diversification and investment rules set forth in Articles R214-21 to R214-27 of said Code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the above, securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund holds at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 4: Lyxor BTP Daily (-2x) Inverse UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE:

Share class: FR0011023621

CLASSIFICATION

The Lyxor BTP Daily (-2x) Inverse UCITS ETF sub-fund (hereinafter the "Sub-fund") is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l'autorité des Marchés Financiers (the French financial markets authority) on 12 April 2011 and was established on 27 April 2011.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide inverse exposure to the daily performance, whether positive or negative, of Italian sovereign bonds having a residual maturity of 8.5 to 11 years, with daily 2x inverse leverage, by replicating the performance of the Solactive BTP Daily (-2x) Leveraged Index (the '**Benchmark Index**'), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.02%.

BENCHMARK INDEX

The Benchmark Index is a strategy index developed by Solactive AG using a proprietary methodology. The Benchmark Index is calculated and maintained by Solactive AG.

The Benchmark Index provides inverse exposure, with daily 2x leverage, to the performance, whether positive or negative, of Italian sovereign bonds having a residual maturity of 8.5 to 11 years, of which Long-Term Euro-BTP futures contracts are a representative indicator. Accordingly, if Long-Term Euro-BTP futures fall on a given trading day, the Sub-fund's net asset value should rise twice as much that day, and if Long-Term Euro-BTP futures rise on a given trading day, the Sub-fund's net asset value should fall by twice as much that day, and share-holders will not profit from the rise of Long-Term Euro-BTP futures.

Long-Term EUR-BTP futures are a representative indicator of Italian sovereign bonds having a residual maturity of 8.5 to 11 years and an initial maturity of less than 16 years. They are listed on Eurex and their methodology is available on www.eurexchange.com

The Benchmark Index's daily performance is the inverse of twice the performance of the Long-Term EUR-BTP futures, plus the daily interest (at the benchmark rate) paid on the fixing of the previous day's Benchmark Index.

The Benchmark Index therefore represents a short position on Long-Term EUR-BTP futures with 2x leverage and daily adjustment. The index may be further adjusted during a trading session if it falls by more than 40%, i.e. if the absolute daily increase in Long-Term EUR-BTP futures exceeds 20%.

The performance tracked is that of the Benchmark Index's closing fixing in euros.

Since the methodology used to calculate the Benchmark Index is not based on direct investment in Italian 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 Sub-fund's 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 www.solactive.com.

Benchmark Index composition and revision

The Benchmark Index is rebalanced daily.

The frequency of the aforementioned adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark index publication

The Benchmark Index is calculated daily using the Long-Term EUR-BTP futures fixing at 5.15 pm.

The Benchmark Index's fixing is available on the Internet at <https://www.solactive.com>.

Pursuant to Article 34 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Solactive AG, the administrator of the Solactive BTP Daily (-2x) Leveraged Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

Investors in this Sub-fund gain inverse exposure, with a daily 2x leverage, to increases and decreases in the daily performance of the Italian sovereign bond market, of which the Benchmark Index is representative.

The Sub-fund will mainly be invested in bonds issued by an OECD member country or by a non-governmental issuer in an OECD country.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by a given OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund holds at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area.

The Sub-fund's interest-rate sensitivity will be between 10 and 22..

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, international securities (equities and bonds) denominated in one of the currencies of the OECD countries.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

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

- senior debt
- fixed maturity
- maximum residual maturity
- minimum issuance size
- minimum S&P or equivalent credit rating
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geographic
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's securities (or the value of any other financial instruments in the Sub-fund) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. securities with embedded derivatives

N/a.

5. cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance
- (d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20% of the Sub-fund's net asset value
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;

- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Interest rate risk

The price of a bond can be affected by unexpected changes in the level of interest rates, which in particular may modify the shape of the yield curve in particular. The bonds that make up the Benchmark Index are exposed to changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise.

- Daily leverage adjustment risk

Investors are inversely exposed to two times the daily changes which affect the price or level of the BTP futures that underlie the Benchmark Index. Therefore, any gain in the underlying market will be inversely amplified and will result in a larger decrease in the Sub-fund's net asset value. Since the exposure in the underlying "double short" Benchmark Index formula is reset daily, over a period of more than one trading day the Sub-fund's return will not be twice that of the BTP futures that underlie the Benchmark Index. For example, if the BTP futures underlying the Benchmark Index gain 10% a trading day and then lose 5% the following trading day, the Sub-fund will lose a total 12% over these two days (before fees) over the two trading days, while the BTP futures underlying the Benchmark Index will have gained 4.5% over the same period.

If the BTP futures underlying the Benchmark Index lose 10% one trading day and then gain 6% the following trading day, the Sub-fund will have gained 5.6% over these two days (before fees), while the BTP futures underlying the Benchmark Index will have lost 4.6% over this period.

Scenario 1 - negative leverage: The negative leverage effect is greater than 2 and the Benchmark Index underlying rises

| | Benchmark Index underlying | | Benchmark Index | | Leverage effect |
|-------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 10% | 100 110 | -20% | 100 80 | x-2 |

| | | | | | |
|--------------|-------|-------|---------|----|--------|
| Day 2 | -5% | 104.5 | 10% | 88 | x-2 |
| Total return | 4.50% | | -12.00% | | x-2.67 |

Scenario 2 - negative leverage: The negative leverage effect is less than 2 and the Benchmark Index underlying falls

| | Benchmark Index underlying | | Benchmark Index | | Leverage effect |
|--------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | -10% | 100 | 20% | 100 | x-2 |
| Day 2 | 6% | 95.4 | -12% | 120 | x-2 |
| Total return | -4.60% | | 5.60% | | x-1.22 |

Furthermore, it is possible that if the Benchmark Index underlying is highly volatile over a period of more than one day the Sub-fund's net asset value may decline even though the Benchmark Index's underlying also declines over this period.

Scenario 3 - inverse leverage: The effective leverage is positive over the period

| | Benchmark Index underlying | | Benchmark Index | | Leverage effect |
|--------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 5% | 100 | -10% | 100 | x-2 |
| Day 2 | -5% | 105 | 10% | 90 | x-2 |
| Total return | -0.25% | 99.75 | -1.00% | 99 | x4 |

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- (v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- (vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Low diversification risk:

The Benchmark Index to which investors are exposed represents only the Italian sovereign bond market, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Credit risk

This is the risk that a credit-rating agency could lower an issuer's credit rating, which would adversely affect the price of the issuer's bond and increase the issuer's default risk. The Sub-fund is exposed to Italy's sovereign credit risk.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in this Sub-fund are seeking inverse exposure to the performance, whether positive or negative and with daily 2x leverage, of Italian sovereign bonds having a residual maturity of 8.5 to 11 years.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Only a whole number of shares may be redeemed.

CURRENCY

The share class currency is the euro (EUR).

SUBSCRIPTION AND REDEMPTION

1/ SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for shares must be for a whole number of shares that represents at least 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French Trading Days (as defined below) upon receipt of the subscription or redemption order.

Date and frequency of NAV calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

2/ PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed fund that are purchased on the secondary market cannot generally be directly sold back to that fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares or units in the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 3% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a. If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated

if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

The market prices of the Long-Term EUR-BTP futures used to calculate the level of the Benchmark Index and therefore to determine the iNAV is provided to Reuters by Eurex.

If Eurex is closed (on a public holiday on the TARGET calendar), the Benchmark Index is no longer published, the net asset value can no longer be calculated and trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's asset manager, will provide Euronext Paris SA with all the financial and accounting data that Euronext Paris SA needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV for the following Trading Day, which is updated in real time.

- b. If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the asset manager, the marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES:

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, generally by the depositary or the asset manager.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Lyxor BTP Daily (2x) Inverse UCITS ETF is a French Sub-fund that has been approved by l'Autorité des Marchés Financiers. The Sub-fund's prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Solactive AG, which assumes no obligation and provides no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index and/or the Benchmark Index brand or of the level the Benchmark Index may reach at any given time or date, or of any other type. The Benchmark Index is calculated and published by Solactive AG, which does its best to ensure that the Benchmark Index is calculated correctly. Regardless of its obligations to the issuer, Solactive AG is in no way whatsoever obliged to inform any third party, including the Sub-fund's investors and financial intermediaries, of any errors that may affect the Benchmark Index. Solactive AG's publication of the Benchmark Index and the licence to use the Benchmark Index or its brand in respect of the Sub-fund may in no way be construed to be a recommendation by Solactive AG to invest in the Sub-fund's shares or a warranty or an opinion provided by Solactive AG in respect of an investment in the Sub-fund's shares. Solactive AG shall not be liable for the consequences of any views or opinions that may be based on this statement nor for any omission.

ADDITIONAL INFORMATION

The Sub-fund's shares are accepted for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Multi Unit France fund annual report.

The Multi Units France fund prospectus, the Key Investor Information Document and the most recent annual documents will be sent to investors within eight business days upon written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.
Prospectus publication date: See the "Publication Date" section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.
This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the above, securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund holds at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 5: Lyxor MSCI Indonesia UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES:

Acc share class: FR0011067511
C-USD share class: FR0011070374
Dist share class: FR0011070382

CLASSIFICATION

Global equities

The Lyxor MSCI Indonesia UCITS ETF sub-fund (the "Sub-fund" is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l'authorité des Marchés Financiers (the French financial markets authority) on 23/06/2011.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI Indonesia Net Total Return index (the "Benchmark Index"), denominated in US dollars (USD), whether positive or negative, while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.10%.

BENCHMARK INDEX

The Benchmark Index is the MSCI Indonesia Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the dividends paid by its underlying equities.

The Benchmark Index is an equity index that is calculated and published by the global index provider MSCI.

The Benchmark Index is composed exclusively of Indonesian securities (Indonesia) and features the basic characteristics of MSCI indices, which include free-float adjustment of the market capitalisation of the Benchmark Index constituents and sector classification in accordance with the Global Industry Classification Standard (GICS).

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com

The performance tracked is that of the Benchmark Index's closing price in USD.

Benchmark Index composition and revision

The Benchmark Index seeks to represent 85% of the free-float adjusted market capitalisation of each major industry group in the Indonesian market.

By targeting 85% representation for each industry group, the Benchmark Index accounts for 85% of the total market capitalisation of the Indonesian market, while also representing its economic diversity.

MSCI indices are also rebalanced quarterly to account for changes in the market capitalisation of an index component (i.e. the number of shares issued and the free float) or its sector classification. The principal changes in a company's capital structure may be implemented in real time (merger or acquisition, large rights issues or IPOs).

The exact composition of the Benchmark Index and Euronext's rules for index composition revision are available on the Internet at www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index's closing price is available on MSCI's website at www.msci.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, MSCI Limited, the administrator of the MSCI Indonesia Net Total Return benchmark index, is registered in ESMA's register of benchmark index administrators.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's equities will be mainly those that make up the Benchmark Index, and also other international equities, in all economic sectors and listed in all markets, including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity 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 that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geographic
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset in the Sub-fund)

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit up to 20% of its assets in the form of cash with credit institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance
- (d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20% of the Sub-fund's net asset value
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Emerging market risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Low Benchmark Index diversification risk

The Benchmark Index to which investors are exposed applies to a specific region, sector or strategy, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Risk that the investment objective is not fully achieved:

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- (v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- (vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk involving a Benchmark Index constituent

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

- Currency risk of the Acc share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore cause the net asset value of this share class to decrease, even if the value of the Benchmark Index increases.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.
Investors in this Sub-fund are seeking exposure to Indonesian equity market.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks. All investors are therefore asked to consider their specific situation with the help of their usual investment advisor. The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

For the Acc and C-USD share classes: all distributable amounts are accumulated.
For the Dist share class: If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute all or part of the distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CURRENCY

| Share currency | Acc share class | Dist share class | C-USD share class |
|----------------|-----------------|------------------|-------------------|
| | EUR | USD | USD |

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day", and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day.

The Acc share class
Orders for subscriptions / redemptions must be for a whole number of shares and represent at least EUR 100,000.

The C-USD and Dist share classes
Orders for subscriptions / redemptions must be for a whole number of shares and represent the USD equivalent at least EUR 100,000.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in the currency of the corresponding share class.

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a. If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern the share class. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b. If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES

The Acc, Dist and C-USD share classes:

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.55% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The net asset value of each of the Sub-fund's share classes will be calculated and published each Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

LYXOR ETF MSCI Indonesia (the "Sub-fund") is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the exclusive property of MSCI and the MSCI indices are trademarks of MSCI or its subsidiaries and have been licensed, for certain needs, to Lyxor International Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares of mutual funds in general or in shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.

- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 6: Lyxor MSCI Thailand UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES:

Acc share class: FR0011067529
Dist share class: FR0011070424

CLASSIFICATION

Global equities.

The Lyxor MSCI Thailand UCITS ETF sub-fund (the “**Sub-fund**”) is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.
The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l’*autorité des Marchés Financiers* (the French financial markets authority) on 23/06/2011.

INVESTMENT OBJECTIVE

The Sub-fund’s investment objective is to replicate the performance, whether positive or negative, of the MSCI Thailand Net Total Return Index (the “**Benchmark Index**”), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund’s performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.10%.

BENCHMARK INDEX

The Benchmark Index is the MSCI Thailand Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index’s performance includes the dividends paid by its underlying equities.

The Benchmark Index is an equity index weighted by market capitalization and adjusted for free-float. It is calculated and published by the international index provider MSCI Limited. It is composed of the equities of companies that are domiciled and/or listed in Thailand and which MSCI Limited classifies as mid-cap or large-cap on the basis of its criteria. The Benchmark Index accounts for approximately 85% of the free-float adjusted market capitalisation of the universe of companies that are domiciled and/or listed in Thailand.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

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 www.msci.com.

The performance tracked is that of the Benchmark Index’s closing price.

Benchmark Index composition and revision

The Benchmark Index is revised quarterly.

The Benchmark Index revision rules are published by MSCI and are available on MSCI’s website at www.msci.com.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The Benchmark Index’s closing price is available on MSCI’s website at www.msci.com

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, MSCI, the administrator of the MSCI Thailand Net Total Return Index, has until 1 January 2020 to apply for approval or registration as applicable.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund’s assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund’s equities will be mainly those that make up the Benchmark Index, and also other international equities, in all economic sectors and listed in all markets, including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity 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 that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geographic
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit up to 20% of its assets in the form of cash with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N /A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price;
- (b) This collateral must be valued at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20 % of the Sub-fund's net asset value;
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

The collateral received will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds

- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Emerging market risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Low Benchmark Index diversification risk

The Benchmark Index to which investors are exposed applies to a specific region, sector or strategy, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Risk of investing mid-cap companies

The Sub-fund is exposed to medium-capitalisation companies, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply and more rapidly in response to market movements than do the prices 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-capitalisation equities.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- (v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- (vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are NOT reflected in the Benchmark Index's performance.

- Corporate action risk involving a Benchmark Index constituent

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Benchmark Index currency risk

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely affect the Sub-fund's Benchmark Index.

- Currency risk associated with listing exchanges

The Sub-fund may be listed on an exchange or multilateral trading facility in a currency that is not the currency of the Benchmark Index. Investors who purchase shares in the Sub-fund in a currency that is not that of the Benchmark index are exposed to currency risk. As a result, due to changes in exchange rates the value of an investment that is made in a currency other than that of the Benchmark Index may decrease even though the value of the Benchmark Index increases.

- Currency risk associated with the Acc share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in the exchange rate may therefore cause the net asset value of this share class to decrease, even if the value of the Benchmark Index increases.

The exchange rate used to value this share class is the EUR/THO (Baht onshore) exchange rate applicable to local investors, which may differ from the EUR/THB (Baht offshore) exchange rate applicable to foreign investors.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to investors seeking exposure to the Thai equity market.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

For the Acc share class all distributable amounts are accumulated.

For the Dist share class: If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

For D-EUR and D-USD shares: If a distribution is decided, the Board of Directors reserves the right to distribute all or part of the distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CURRENCY

| Currency | Acc share class | Dist share class |
|----------|-----------------|------------------|
| | EUR | USD |

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day" and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day.

Acc share class

Orders for subscriptions / redemptions must be for a whole number of shares and represent at least EUR 100,000.

Dist share class

Subscription and redemption orders must be for a whole number of shares representing the USD equivalent of EUR 100,000.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

Date and frequency of NAV calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to

the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B SPECIFIC PROVISIONS

- a. If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b. If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, generally by the depositary or the asset manager.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------|----------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.45% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |

| | | |
|-------------------------|-----------------------------|-----|
| Account activity charge | Charged on each transaction | N/A |
|-------------------------|-----------------------------|-----|

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including *inter alia* the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the exclusive property of MSCI and the MSCI indices are trademarks of MSCI or its subsidiaries and have been licensed, for certain needs, to Lyxor International Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares of mutual funds in general or in shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. WITHOUT PREJUDICE TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the asset manager reserves the right to value these securities at their current value if it deems that they are particularly exposed to interest-rate or other market risks. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the asset manager reserves the right to value these securities at their current value if it deems that they are particularly exposed to interest-rate or other market risks. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The asset manager monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the asset manager's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Units and shares in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the asset manager's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the rates published by WM Reuters on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded in the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 7: Lyxor MSCI Select OECD Emerging Markets GDP UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

Dist share class: FR0011646496

Acc share class: FR0011645605

CLASSIFICATION

Global equities.

The Lyxor MSCI Select OECD Emerging Markets GDP UCITS ETF sub-fund (the "Sub-fund") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l'autorité des Marchés Financiers (the French financial markets authority) on 29/11/13 and was established on 12/12/13.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI Select OECD Emerging Markets GDP Weighted Index (the "Benchmark Index") denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index, which is representative of the performance of mid-cap and large-cap stocks of the emerging OECD countries.

The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the MSCI Select OECD Emerging Markets GDP Weighted Index.

The Benchmark Index is derived from the MSCI Select OECD Index parent index (the "Parent Index") and measures the performance of large-cap and mid-cap companies in the emerging OECD countries. These countries include: Chile, the Czech Republic, Hungary, Korea, Mexico, Poland and Turkey. Each country is weighted in proportion to the size of its economy (as measured by GDP) rather than by the size of its equity market.

The Benchmark Index is calculated and published by the global index provider MSCI.

MSCI Inc. is one of the leading providers of financial indices. MSCI's products and services include not only financial indices, but also performance and risk analysis tools for investors. MSCI is based in New York, and has commercial and research offices across the world.

The Benchmark Index is a custom index calculated by MSCI which includes a group of OECD countries that are selected using an RSI approach. The Benchmark Index uses the same methodology used by the MSCI GDP Weighted Indices.

The Benchmark Index is composed of a static list of the countries that compose the Parent Index, which currently includes: Chile, the Czech Republic, Hungary, Korea, Mexico, Poland and Turkey. The index scope is fully reviewed by the licensee and notified to MSCI at least five business days before the effective rebalancing date. Any change in the scope of the Parent Index will be replicated in the Benchmark Index.

MSCI GDP Weighted Indices are rebalanced annually, generally on the last business day of May, which is the annual rebalancing date of the Parent Index. A country added to the Parent Index will be added to the Benchmark Index upon the next annual rebalancing. In contrast, a country removed from the Parent Index will be simultaneously removed from the Benchmark Index.

The Benchmark Index is a Net Total Return index. A Net Total Return index includes dividends and all other types of income distribution in the calculation of the performance of the index's components.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com.

Benchmark Index composition and revision

The Benchmark Index is revised annually.

The Benchmark Index's composition and MSCI's rules for its rebalancing are available on the internet at www.msibarra.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The Benchmark Index's closing price is available on MSCI's website at www.msibarra.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, MSCI Limited, the administrator of the MSCI Select OECD Emerging Markets GDP Weighted Index benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's equities will be mainly those that make up the Benchmark Index, and also other international equities, in all economic sectors and listed in all markets, including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to the equity and debt securities issued by a given entity. This 20% limit may be increased to 35% for a given issuing entity 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 that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

For this Sub-fund, the asset manager mainly intends to use the following assets:

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geographic
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

These derivative instruments (including index-linked swaps) may be transacted with Société Générale without having to seek a competitive bid from another counterparty. The Management Company therefore makes no commitment to observe a formal, traceable and verifiable competitive tendering procedure.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit up to 20% of its assets in the form of cash with credit institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price;
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20 % of the Sub-fund's net asset value;
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- **Equity risk**

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- **Capital risk**

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- **Liquidity risk (primary market)**

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- **Liquidity risk (secondary market)**

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- **Counterparty risk**

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- **Emerging Market Risk**

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) agreement as indicated in EU Regulation No. 2015/2365.

- Risk due to a change in tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the Sub-fund's taxation. As a result, in case of a discrepancy between the estimated taxes owed and the actual tax treatment applied to the Sub-fund (and/or to the Sub-fund's DFI counterparty), the Sub-fund's net asset value may be adversely affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost;
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted.
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk (EUR/USD) of the Acc share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in the exchange rate may therefore cause the net asset value of this share class to decrease, even if the value of the Benchmark Index increases.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in this Sub-fund are seeking exposure to the medium and large capitalisation equity markets of the emerging OECD countries.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

Dist share class: If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares. Only a whole number of shares may be redeemed.

CURRENCIES

| | | |
|------------|-------------|------------|
| Currencies | Dist shares | Acc shares |
| | USD | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros for the Acc share class and at least the USD equivalent of 100,000 euros for Dist share class.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent;
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components;
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxoretf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a. If shares are listed on Euronext Paris, as indicated in the "Key Information" section of this document, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers

The Sub-fund's share are freely negotiable on Euronext Paris under the following conditions and in compliance with the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the shares or units of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their shares or units does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Index.

To comply with Euronext Paris' reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris will also suspend trading in the Sub-fund's shares in the following cases:

- The Benchmark Index is no longer traded or calculated;
- Euronext Paris cannot obtain the Benchmark Index's level;
- Euronext Paris cannot obtain the Sub-fund's net asset value;

In accordance with the terms and conditions governing admission to trading on the Euronext Paris exchange, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange .

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- The Benchmark Index is no longer traded or calculated;
- The Market Maker's obligations will be suspended if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris will calculate and publish, each Trading Day (as defined below) and during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris will use the Benchmark Index value and the corresponding exchange rate provided by Reuters.

The share prices of the stocks that make up the Benchmark Index and which are used to calculate the value of the Benchmark Index and therefore to determine the iNAV are provided directly to Reuters by the U.S. exchange where the stocks are listed.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value;
- The official net asset value of the previous business day;
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time the following Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b. If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

The following information applies to the Acc and Dist share classes.

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the asset manager, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.55% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

LYXOR MSCI Select OECD Emerging Markets GDP UCITS ETF (the "Sub-fund") is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any entity involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares of mutual funds in general or in shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI

subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 8: Lyxor 10Y US Treasury Daily (-2x) Inverse UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE:

Acc share class: FR0011607084

Dist share class: FR0011607340

The Lyxor 10Y US Treasury Daily (-2x) Inverse UCITS ETF sub-fund (hereinafter the "Sub-fund") is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l'authorité des Marchés Financiers (the French financial markets authority) on 10/12/2013 and was created on 8 January 2014.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide inverse exposure, with 2x leverage, to the daily performance, whether positive or negative, of US Treasury bonds with residual maturities of 6.5 to 10 years, by tracking the Solactive 10Y US Treasury Futures Daily (-2x) Inverse Index (the "Benchmark Index"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected tracking error, monitored ex-post under normal market conditions is 0.07%.

BENCHMARK INDEX

The Benchmark Index is a strategy index developed by Solactive AG, using a proprietary methodology. It is calculated and maintained by Solactive AG.

The Benchmark Index provides inverse exposure with 2x daily leverage to increases and decreases in the prices of US Treasury bonds with residual maturities of 6.5 to 10 years, for which CBOT 10-Year T-Note futures are a representative indicator of performance. Therefore, if the price of CBOT 10-Year T-Note futures declines on a given trading day, the Sub-fund's net asset value may be expected to increase by twice as much that day, whereas if the price of CBOT 10-Year T-Note futures rises on a given trading day, the Sub-fund's net asset value may be expected to decrease by twice as much that day and shareholders will not profit from the increase in CBOT 10-Year T-Note prices.

CBOT 10-Year T-Note futures are a representative index of the market for US Treasury bonds with residual maturities of 6.5 to 10 years. The index methodology is available at: <https://www.cmegroup.com>.

The Benchmark Index's daily performance is equivalent to the inverse of twice the daily performance of CBOT 10Y T-Note futures plus the interest at the fed funds rate received daily on the value of the Benchmark Index's fixing the previous day.

The index is therefore representative of a shorting strategy on CBOT 10-Year T-Note futures with 2x leverage and daily adjustment. Further adjustment during a trading session is possible if the Benchmark Index falls by more than 40% on a trading day (i.e. if the absolute value of CBOT 10-Year T-Note futures increases by more than 20% on a given day).

The performance tracked is that of the Benchmark Index's closing 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 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 Sub-fund's 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

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at <https://www.solactive.com>.

Benchmark Index composition and revision

The Benchmark Index is revised daily.

The frequency of this adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark Index publication

The Benchmark Index is calculated daily on the value of the fixing of CBOT 10-Year T-Note futures at 3.00 pm Eastern Standard Time. The Benchmark Index's fixing is available on the Internet at: <https://www.solactive.com>.

Pursuant to Article 34 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Solactive AG, the administrator of the Solactive 10Y US Treasury Futures Daily (-2x) Inverse Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

Investors in this Sub-fund are seeking inverse exposure with 2x leverage to the performance, whether positive or negative, of US Treasury bonds with residual maturities of 6.5 to 10 years, which are represented by the Benchmark Index.

The Sub-fund will mainly be invested in bonds issued by an OECD member country or by a non-governmental issuer in an OECD country.

| | |
|--|--|
| Fund's targeted interest-rate sensitivity | From 8 to 20 |
| Currencies in which the Sub-fund's securities are denominated | USD: from 0 to 100% of net assets |
| Foreign exchange risk to which the Sub-fund is exposed | 0% maximum of net assets ¹⁾ |
| Geographic regions of the issuers of the securities to which the Sub-fund is exposed | US: from 0 to 100% of net assets |

¹⁾ share classes that are not denominated in USD may however be exposed to currency risk.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest in bonds issued by an OECD member country or by a non-governmental issuer in an OECD country within regulatory limits

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

- eligibility criteria and in particular:
 - o senior debt
 - o fixed maturity
 - o maximum residual maturity
 - o minimum issuance size
 - o minimum S&P or equivalent credit rating
- diversification criteria, and in particular with respect to:
 - o the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - o geographic
 - o sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price;
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20% of the Sub-fund's net asset value;
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity liquid assets, which include, for example, cash, short-term bank balances and money-market instruments;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies. Investors in the Sub-fund will mainly be exposed to the following risks:

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Interest rate risk

The price of a bond can be affected by unexpected changes in the level of interest rates, which in particular may modify the shape of the yield curve in particular. The bonds that make up the Benchmark Index are exposed to changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise.

- Daily leverage adjustment risk

Investors are inversely exposed to two times the daily changes which affect the price or level of the CBOT 10y US Treasury futures that underlie the Benchmark Index. Therefore, any gain in the underlying market will be inversely amplified and will result in a larger decrease in the Sub-fund's net asset value. Since the exposure in the underlying "double short" Benchmark Index formula is reset daily, over a period of more than one trading day the Sub-fund's return will not be twice that of the CBOT 10y US Treasury futures that underlie the Benchmark Index. For example, if the CBOT 10y US Treasury futures underlying the Benchmark Index gain 10% a trading day and then lose 5% the following trading day, the Sub-fund will lose a total 12% over these two days (before fees) over the two trading days, while the CBOT 10y US Treasury futures underlying the Benchmark Index will have gained 4.5% over this period.

If the CBOT 10y US Treasury futures underlying the Benchmark Index lose 10% one trading day and then gain 6% the following trading day, the Sub-fund will have gained 5.6% over these two days (before fees), while the CBOT 10y US Treasury futures underlying the Benchmark Index will have lost 4.6% over this period.

Scenario 1 - negative leverage: The negative leverage effect is greater than 2 and the Benchmark Index underlying rises

| | Benchmark Index underlying | | Benchmark Index | | Leverage effect |
|---------------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 10% | 110 | -20% | 80 | x-2 |
| Day 2 | -5% | 104.5 | 10% | 88 | x-2 |
| Total return | 4.50% | | -12.00% | | x-2.67 |

Scenario 2 - negative leverage: The negative leverage effect is less than 2 and the Benchmark Index underlying falls

| | Benchmark Index underlying | | Benchmark Index | | Leverage effect |
|---------------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | -10% | 90 | 20% | 120 | x-2 |
| Day 2 | 6% | 95.4 | -12% | 105.6 | x-2 |
| Total return | -4.60% | | 5.60% | | x-1.22 |

Furthermore, it is possible that if the Benchmark Index underlying is highly volatile over a period of more than one day the Sub-fund's net asset value may decline even though the Benchmark Index's underlying also declines over this period.

Scenario 3 - inverse leverage: The effective leverage is positive over the period

| | Benchmark Index underlying | | Benchmark Index | | Leverage effect |
|---------------------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 5% | 105 | -10% | 90 | x-2 |
| Day 2 | -5% | 99.75 | 10% | 99 | x-2 |
| Total return | -0.25% | | -1.00% | | x4 |

- Risk that the investment objective may not be fully achieved:

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi): the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

i) the calculation of the Benchmark Index is suspended or stopped

ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended

iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value

iv) a market maker fails to comply with an exchange's rules

v) an exchange's IT, electronic or other system fails.

- Low diversification risk

The Benchmark Index to which investors are exposed represents only the U.S. government bond market, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Credit risk

This is the risk that an issuer's credit-worthiness may improve and that a credit-rating agency could raise the issuer's credit rating, which would increase the price of the issuer's bonds and thus adversely affect the Sub-fund's net asset value. The Sub-fund is exposed to U.S. sovereign credit risk.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in this Sub-fund will have inverse exposure with 2x daily leverage to increases and decreases in the prices of US Treasury bonds having residual maturities of 6.5 to 10 years.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor. Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of income in one or more annual distributions. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is made, If a distribution is decided, the Board of Directors reserves the right to distribute all or part of the distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares. Only a whole number of shares may be redeemed.

CURRENCIES

| | | |
|----------------|-----------------|------------------|
| Share currency | Acc share class | Dist share class |
| | USD | USD |

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and a minimum amount of at least 100,000 euros for the Acc and Dist share classes.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of NAV calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in USD.

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed fund that are purchased on the secondary market cannot generally be directly sold back to that fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a. If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" part of the "General Characteristics" section of the Fund's prospectus, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of the USD equivalent of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated

if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

The market prices of the CBOT 10y US Treasury futures used to calculate the level of the Benchmark Index and therefore to determine the iNAV is provided to Reuters by Eurex.

If Eurex is closed (on a public holiday on the TARGET calendar), the Benchmark Index is no longer published, the net asset value can no longer be calculated and trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCIT ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b. If the shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the asset manager, the marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES:

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------|----------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.20% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |

| | | |
|-------------------------|-----------------------------|-----|
| Account activity charge | Charged on each transaction | N/A |
|-------------------------|-----------------------------|-----|

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published each Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Lyxor 10Y US Treasury Daily (-2x) Inverse UCITS ETF is a French sub-fund that has been approved by l'Autorité des Marchés Financiers. Its prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Solactive AG, which assumes no obligation and provides no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index and/or the Benchmark Index brand or of the level the Benchmark Index may reach at any given time or date, or of any other type. The Benchmark Index is calculated and published by Solactive AG, which does its best to ensure that the Benchmark Index is calculated correctly. Regardless of its obligations to the issuer, Solactive AG is in no way whatsoever obliged to inform any third party, including the Sub-fund's investors and financial intermediaries, of any errors that may affect the Benchmark Index. Solactive AG's publication of the Benchmark Index and the licence to use the Benchmark Index or its brand in respect of the Sub-fund may in no way be construed to be a recommendation by Solactive AG to invest in the Sub-fund's shares or a warranty or an opinion provided by Solactive AG in respect of an investment in the Sub-fund's shares. Solactive AG shall not be liable for the consequences of any views or opinions that may be based on this statement nor for any omission.

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ADDITIONAL INFORMATION

The Sub-fund's shares are accepted for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Multi Unit France fund annual report.

The Multi Units France fund prospectus, the Key Investor Information Document and the most recent annual documents will be sent to investors within eight business days upon written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the above, securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund holds at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in USD.

SUB-FUND NO. 9: Lyxor FTSE Italia Mid Cap PIR (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

Acc share class: FR0011758085

CLASSIFICATION

Eurozone country equities.

The Lyxor FTSE Italia Mid Cap PIR (DR) UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to one or more of the equity markets of one or more eurozone countries, which may include France.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l'autorité des Marchés Financiers (the French financial markets authority) on 7 March 2014 and was established on 28 March 2014.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the FTSE Italia PIR Mid Cap Net Tax Index (the "Benchmark Index") denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index, which is representative of the performance of mid-cap stocks listed on Borsa Italiana.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the FTSE Italia PIR Mid Cap Net Tax Index,

The Benchmark Index is a free float-adjusted capitalisation-weighted index that is representative of the stock-market performance of the mid-cap equities listed on the Borsa Italiana exchange.

The Benchmark Index is composed of the components of the FTSE Italia Mid Cap Index that are eligible for investment under the "Piano Individuale di Risparmio a lungo termine" (PIR) regime, pursuant to the 2017 Italian Budget Act (Act No. 232 of 11 December 2016 as amended).

The FTSE Italia Mid Cap Index represents the 60 listed companies on the Borsa Italiana exchange that are rated most highly in terms of market capitalisation and liquidity (as measured by daily trading volume) and which are not components of the FTSE MIB index.

Each Benchmark Index component is capped at 10% at each quarterly rebalancing. The weight of any component that exceeds 10% will be reduced to 10%. The sum of the weights of components with weights above 5% is capped at 40%.

The Benchmark Index is rebalanced quarterly, in March, June, September and December.

The Benchmark Index is a Net Dividends Reinvested index. A Net Dividends Reinvested index includes net dividends and all other types of income distribution in the calculation of the index's performance.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.ftserussell.com.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and FTSE's rules for index composition revision are available on the Internet at www.ftserussell.com.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The Benchmark Index's closing price is available on the Internet at www.ftserussell.com.

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE, the administrator of the FTSE Italia PIR Mid Cap Net Tax benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will use a direct replication method, which means that it will invest mainly in the Benchmark Index's constituents.

The Sub-fund's equities must be those that are eligible for investment under the "Piano Individuale di Risparmio a lungo termine" (PIR) regime, pursuant to the 2017 Italian Budget Act (Act No. 232 of 11 December 2016), as amended.

The Sub-fund must invest at least 70% of its assets in financial instruments traded on a regulated market or on a multilateral trading facility that are issued by or entered into with companies that are domiciled in Italy or in a country of the European Union or the European Economic Area (EEA) and which have a permanent establishment in Italy.

At least 30% of these financial instruments, representing 21% of the total value of the Sub-fund's assets, must be issued by companies that are not components of the FTSE MIB index or an equivalent index.

The Sub-fund cannot invest more than 10% of the total value of its assets in financial instruments that are issued by or entered into with a single company, or by or with companies belonging to the same group, or in cash deposits.

The Sub-fund cannot invest in companies that are domiciled in a country that has not signed an appropriate information-sharing agreement with Italy. These investment restrictions will be observed during at least two thirds of each calendar year, as of 03/03/2017.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative financial instruments (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index 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 'balance sheet' assets in the Sub-fund's portfolio 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity 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 that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund shall comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund will mainly be invested in the securities that make up the Benchmark Index.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund may, on an ancillary basis, engage in transactions involving derivatives traded on a regulated market or over-the-counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

To optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10 % of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including the temporary sale of securities.

Maximum proportion of assets under management for which securities financing transactions may be entered into: 25% of the Sub-fund's assets.
Expected proportion of assets under management for which securities financing transactions may be entered into: 10% of the Sub-fund's assets.

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a subsidiary of the group of which Société Générale is a subsidiary and is therefore tied to the agent.

The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating costs.

These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating costs/charges and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.

Income from the lending of securities will be paid to the Sub-fund after deduction of the direct and indirect operating costs/charges borne by the Agent and possibly by the management company. Since these direct and indirect operating expenses do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and; et
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating costs associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price;
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20 % of the Sub-fund's net asset value;
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see section 7 on "Securities financing transactions"), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund's behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- **Liquidity risk (secondary market)**

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- **Benchmark Index tracking risk**

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- **Counterparty risk**

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- **Risk of investing mid-cap companies**

The Sub-fund is exposed to medium-capitalisation companies, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply and more rapidly in response to market movements than do the prices 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-capitalisation equities.

- **Risk that the investment objective may not be fully achieved**

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- **Risk of using derivative financial instruments**

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- **Risk of using efficient portfolio management techniques**

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that (i) EPMT transactions may be entered into with Société Générale (which is a subsidiary of the same group as the Management Company) and/or (ii) that Société Générale may be appointed the Sub-fund's agent for EPMT.

- **Operational risk**

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- **Legal risk**

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transactions as indicated in EU Regulation No. 2015/2365.

- **Risk of a change in the tax regime**

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- **Risk of a change in the taxation of the Sub-fund's underlying assets**

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- **Regulatory risk affecting the Sub-fund**

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- **Regulatory risk affecting the Sub-fund's underlying assets**

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost;
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted.
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is This Sub-fund is available to all investors.
Investors in this Sub-fund seek exposure to mid-cap stocks listed on the Borsa Italiana exchange.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks. All investors are therefore asked to consider their specific situation with the help of their usual investment advisor. The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts will be accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Only a whole number of shares may be redeemed.

CURRENCY

Currency of the Acc share class: EUR.

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and a minimum amount of at least 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated .

Capping of redemptions

When exceptional circumstances and the preservation of the interests of the Sub-fund's shareholders so require, the management company may suspend redemptions when they reach the maximum amount indicated below and defer the unexecuted fraction of redemption orders over one or more subsequent net asset values.

For this Sub-fund, redemptions at a given net asset value may be suspended when they exceed 10% of the Sub-fund's net assets as calculated using the most recent net asset value for all of the Sub-fund's share classes, which the management company may estimate if necessary on the corresponding Primary Market Day.

If the redemption orders received on a given Primary Market Day exceed 10% of the Sub-fund's net assets, the management company may, depending on the market conditions on that Primary Market Day, decide to suspend redemptions. In this case, the management company will determine the precise amount of the cap on redemptions in accordance with market conditions and in the best interest of the Sub-fund's shareholders. This is because the liquidity of the Sub-fund's assets will depend on the market conditions on that Primary Market Day and in some cases may enable the Sub-fund to fulfil all or some of the redemption orders received on that day above the 10% limit of the Sub-fund's net assets.

When the management company decides to suspend redemptions it specifies the amount of the cap so that it can immediately determine the fraction of each redemption order that cannot be executed and inform, as soon as possible, the shareholders who have placed redemption orders.

The fraction of redemption orders that is not executed will be automatically deferred and treated like a redemption order that is received in the following Primary Market Day, unless the shareholder does not want the unexecuted fraction of the redemption order to be executed, in which case this fraction will be cancelled on this Primary Market Day.

The maximum number of net asset values during which redemptions may be capped and suspended by the management company is indicated in the Fund's articles of Association.

For example, if the Sub-fund has net assets of EUR 1,000,000,000 and the redemption orders on a Primary Market Day exceed EUR 100,000,000, the management company may suspend redemptions depending on market conditions and above all on the liquidity of the Sub-fund's assets. If redemption orders total EUR 200,000,000 and the Sub-fund's has net assets of EUR 1,000,000,000 there are two possibilities:

- the liquidity of the Sub-funds' assets enable the management company to fulfil all redemption orders, in which case the management company will not suspend redemptions, or
- in consideration of the liquidity of the Sub-fund's assets and the best interests of its shareholders, the management company decides to suspend redemptions and sets the cap beyond which it will stop fulfilling all redemption orders. If, for example, the management company caps redemptions at 15% it will fulfil redemption orders up to a maximum of 15% of the Sub-fund's net assets (i.e. EUR 150,000,000). Accordingly, only 75% of each order will be executed (75% = EUR 150,000,000 / EUR 200,000,000). Beyond this 15% cap, the fraction of redemption orders that cannot be executed (i.e. EUR 50,000,000 in our example) will be automatically deferred and treated as if it were a redemption order received on the following Primary Market Day. However, shareholders may oppose the deferral of the fraction of their redemption orders that is not executed on this Primary Market Day, in which case this fraction will be cancelled.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund acquired on the secondary market cannot generally be directly resold to the Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below and those of the section above entitled "Capping of redemptions," investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components;
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Redemptions made in the primary market in this case shall only be subject to a redemption fee paid to the Sub-fund and which serves to cover its trading costs. The redemption fee that is not kept by the Sub-fund will normally not be charged.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a. If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" part of the "General Characteristics" section of the Fund's prospectus, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the shares or units of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their shares or units does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated;
- Euronext Paris cannot obtain the Benchmark Index's level
- Euronext Paris cannot obtain the Sub-fund's net asset value;

In accordance with the terms and conditions governing admission to trading on the Euronext Paris exchange, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 200,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

the Benchmark Index is no longer traded or calculated;

if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value;
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | 0.16% ⁽¹⁾ |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | 0.06% ⁽¹⁾ |

(1) The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund
- direct and indirect costs/charges of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|--|--|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Direct and indirect costs/charges of securities financing transactions | The amount of income from these transactions | 20% for the Management Company 15% for the Agent. |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Lyxor FTSE Italia Mid Cap PIR (DR) UCITS ETF fund is in no way sponsored, approved, sold or recommended by FTSE International Limited (hereinafter "FTSE") or London Stock Exchange Group companies ("LSEG") (hereinafter collectively referred to as the "Licensors").

The Licensors assume no obligation and provide no warranty, either expressed or implied, as to the results that may be obtained from (i) using the FTSE Italia PIR Mid Cap index (hereinafter the "Index") (on which the Lyxor FTSE Italia Mid Cap PIR (DR) UCITS ETF sub-fund is based), (ii) the level of said Index at a given time or day, or of any other type, or (iii) the Index's relevance to the objective for which it is used in relation to Lyxor FTSE Italia Mid Cap PIR (DR) UCITS ETF sub-fund.

None of the Licensors has provided nor will provide Lyxor or any of its clients with any investment advice or recommendation in relation to the Index. The Index is calculated by or on the behalf of FTSE. The Licensors shall not be liable to anyone (whether on the grounds of negligence or for any other reason) for any error that affects the Index and shall not be obliged to inform anyone of such an error.

All rights to the index are held by FTSE. FTSE® is a trademark of LSEG and is used under license by FTSE.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;

- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros

SUB-FUND NO. 10: Lyxor German Mid-Cap MDAX UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

Dist shares: FR0011857234

CLASSIFICATION

Eurozone country equities.

The Lyxor German Mid-Cap MDAX UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to one or more of the equity markets of one or more eurozone countries, which may include France

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l'autorité des Marchés Financiers (the French financial markets authority) on 23/04/2014 and will be formed on 15/05/2014.

INVESTMENT OBJECTIVE

The investment objective is to replicate the performance, whether positive or negative, of the MDAX Index (the "**Benchmark Index**"), denominated in EUR, while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index. It is representative of mid-cap German companies.

The expected ex-post tracking error under normal market conditions is 0.08%.

BENCHMARK INDEX

The Benchmark Index is the MDAX Index.

The Benchmark Index is weighted by market capitalization and adjusted for free-float. It is representative of the performance of equities that are classified as mid-cap stocks on the DAX exchange on the basis of their market capitalisation and liquidity.

The Benchmark Index is calculated by Deutsche Börse AG

A Dividends Reinvested index includes dividends and all other types of income distribution in the calculation of the index's performance.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on Deutsche Börse AG's website at www.dax-indices.com

Benchmark Index composition and revision

The Benchmark Index's composition is revised quarterly and rebalanced quarterly.

Each index component is weighted by its float-adjusted market capitalisation, with the weight of each component being capped at 10% when the index is rebalanced. The float-adjusted market capitalisation is the market value of the shares issued and available for trading.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The Benchmark Index's closing value is available on Deutsche Börse AG's website at www.dax-indices.com.

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Deutsche Börse AG, the administrator of the MDAX benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's equities will be mainly those that make up the Benchmark Index, and also other international equities, in all economic sectors and listed in all markets, including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

For this Sub-fund, the asset manager mainly intends to use the following assets:

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geographic
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

These derivative instruments (including index-linked swaps) may be transacted with Société Générale without having to seek a competitive bid from another counterparty. The Management Company therefore makes no commitment to observe a formal, traceable and verifiable competitive tendering procedure.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

To optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price;
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20 % of the Sub-fund's net asset value;
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of investing mid-cap companies:

The Sub-fund is exposed to medium-capitalisation companies and more specifically to the equity securities of medium and intermediate size 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-capitalisation equities.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost;
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted.
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

An investor in the Sub-fund is seeking exposure to the equities of German mid-cap companies.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks. All investors are therefore asked to consider their specific situation with the help of their usual investment advisor. The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CURRENCY

| | |
|----------|---------------|
| Currency | Equities Dist |
| | EUR |

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares. Only a whole number of shares may be redeemed.

CURRENCY

| |
|-------------|
| Dist shares |
| Euro |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

A subscription or redemption will be delivered and settled within five French business days after reception of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund acquired on the secondary market cannot generally be directly resold to the Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If shares are listed on Euronext Paris, as indicated in the "Key Information" part of the "General Characteristics" section of the Fund's prospectus, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The Sub-fund's shares are freely negotiable on Euronext Paris under the following conditions and in compliance with the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the shares or units of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their shares or units does not differ significantly from their net asset value. Under Euronext's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris cannot obtain the Benchmark Index's level
- Euronext Paris cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on the Euronext Paris exchange, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

the Benchmark Index is no longer traded or calculated;
if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris will calculate and publish, each Trading Day (as defined below) and during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris will use the Benchmark Index value and the corresponding exchange rate provided by Reuters.

The share prices of the stocks that make up the Benchmark Index and which are used to calculate the value of the Benchmark Index and therefore to determine the iNAV are provided directly to Reuters by the U.S. exchange where the stocks are listed.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time the following Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For the Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the asset management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.42% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

This financial instrument is not sponsored, recommended, distributed or otherwise supported by Deutsche Börse AG (the "Licensor"). The Licensor grants no guarantee and issues no statement, whether explicit or implicit, regarding the results arising from use of the index and/or the index's registered trademark, or the value of the index at any given time or date, or regarding any other matter. The Index is calculated and published by the Licensor. However, within the limits of the law, the Licensor shall not be liable to all and any third parties in the event of potential errors in the Index. Moreover, the Licensor is under no obligation to report potential errors in the Index to any third parties, including investors.

Neither the publication of the Index by the Licensor, nor the license granted for the Index and its registered trademark for use with the financial instrument or other securities or financial products arising from the index amount to a recommendation by the Licensor for capital investment, nor do they carry, in any way, a guarantee or opinion from the Licensor concerning the advisability of investing in this product.

In its capacity as sole holder of all the rights relating to the Index and the Index's registered trademark, the Licensor has only granted to the financial instrument's issuer the right to use the Index and the Index's registered trademark, together with all and any reference to the Index and its registered trademark in relation to the financial instrument.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves

the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;

- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 11: Lyxor Hwabao WP MSCI ChinaA (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES:

Acc share class: FR0011720911
Dist share class: FR0011720937

CLASSIFICATION

Global equities.

The Lyxor Hwabao WP MSCI China A (DR) UCITS ETF fund (the "Sub-fund") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l'Autorité des Marchés Financiers on 07/05/2014 and was established on 28/08/2014.

SUB-DELEGATED ASSET MANAGER

Hwabao WP Asset Management (Hong Kong) Co., Limited (formerly Fortune SG Asset Management (Hong Kong) Co., Limited), is a limited liability corporation registered in the People's Republic of China, with a "Type 9" licence to manage assets in Hong Kong. It is domiciled at Units 3612 and 3613, 36/F Cosco Tower, No.183 Queen's Road Central, Hong Kong.

The sub-delegated asset manager has a Renminbi Qualified Foreign Institutional Investor (RQFII) license and has been granted a quota of "A share" investments for the Sub-fund.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI China A Net Total Return Index (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 2%.

BENCHMARK INDEX

The Benchmark Index is a free float-adjusted capitalisation-weighted index that is representative of exposure to the performance mid-cap and large-cap A shares.

A shares are the shares of companies that are incorporated in the People's Republic of China, excluding Hong Kong and Macau (the PRC) and which are traded on the Shanghai and Shenzhen stock exchanges and quoted in Chinese yuan (CNY).

The Benchmark Index is representative of A shares that are traded on Shanghai Hong-Kong Stock Connect or Shenzhen Hong-Kong Stock Connect exchanges (the "Stock Connect Programmes") and which are components of the MSCI China All Shares Index.

The MSCI China All Shares Index is representative of mid-cap and large-cap companies within the universe of companies incorporated in China, or outside of China but which MSCI considers to be Chinese. This universe includes shares listed on the Hong Kong, Shanghai and Shenzhen exchanges or on exchanges outside of China.

The Benchmark Index is a free float-adjusted capitalisation-weighted index, which means that the weight of each of its components is proportional to its free-float market capitalisation.

The Benchmark Index is a Net Dividends Reinvested index. A Net Dividends Reinvested index includes net dividends and all other types of income distribution in the calculation of the index's performance.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index constituents are available on the Internet at http://www.msci.com/products/indices/country_and_regional/domestic_equity_indices/china/

Benchmark Index composition and revision

The Benchmark Index is revised quarterly, in accordance with the methodology described in the Benchmark Index Rulebook, which is available MSCI's website at www.msci.com.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication:

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index's daily fixing is available through Reuters and Bloomberg.

The Benchmark Index's closing price is available on the Internet at <http://www.msci.com>.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, MSCI Limited, the administrator of the MSCI China A Net Return USD Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ a direct replication method, which means that the Sub-fund will mainly invest in the equities that underlie the Benchmark Index.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents and/or to reduce the operational constraints of investing in the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative financial instruments (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index 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 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity 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 that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

Investors should also note that the Sub-fund's sub-delegated asset manager is a Renminbi Qualified Foreign Institutional Investor (hereinafter "RQFII") and has a license as such (an "RQFII License") that is valid in the People's Republic of China ("PRC") and is allotted a RQFII quota specifically for the Sub-fund's investments (the "Quota") that will enable the sub-delegated asset manager, acting in the Sub-fund's name and on its behalf, to implement the aforementioned Invested Strategy. More specifically, and subject to the risks indicated in the Risk Profile section below, the aforementioned RQFII License and Quota will enable the sub-delegated asset manager to:

- Invest in A-shares, in the Sub-fund's name and on its behalf, subject to the terms and within the limits of the License and Quota, with no minimum holding period requirement
- Repatriate into and out of PRC the amount of funds the Sub-fund needs to buy or sell A-shares, every business day in PRC and effect any foreign exchange transactions that are required to convert funds in RMB into the currency of the relevant share class.

In order to implement the investment strategy described above, the Sub-fund's sub-delegated asset manager may also invest in A-shares via the common trading platforms of the Stock Connect Programmes. The Stock Connect Programmes enable investors outside of the PRC to invest in A shares traded in RMB on the Shanghai and Shenzhen exchanges, without necessarily requiring a RQFII Licence and Quota.

Investors may obtain more information on the terms that govern the sub-delegated asset manager's transactions in Chinese A-shares, under the RQFII Licence and Quota, and/or under the rules of the Stock Connect Programmes, upon written request to the Management Company.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will comply with the investment rules set out in European Directive 2009/65/EC of 13 July 2009. The Sub-fund will be mainly invested in the securities of the Benchmark Index.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivatives traded on a regulated market or over the counter.

If over-the-counter derivatives are used, in accordance with its best-execution policy the Management Company considers that Société Générale would be the counterparty that would generally provide the best possible execution for any hedging transactions the Sub-fund may enter into pursuant to its investment strategy. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

To optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10 % of its net assets.

7. Securities financing transactions

The fund manager will not engage in securities financing transactions.

8. Collateral contracts

The Sub-fund will not give or receive any collateral for the purpose of its investment management.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Specific risk of investing in the People's Republic of China:

Investors in the Sub-fund should be aware of the following risks inherent to investments in the People's Republic of China (PRC):

- RQFII risk

The Sub-fund's capacity to achieve its investment objective depends among other things on the RQFII quota it is allotted. If the Sub-fund's RQFII quota is too small this could adversely affect the Sub-fund's operation. PRC regulations governing RQFII status may also be amended at any time by the China Securities Regulatory Commission (CSRC) and/or, with respect to foreign exchange, by the State Administration of Foreign Exchange ("SAFE") bureau, which could adversely affect the Sub-fund's capacity to achieve its investment objective and result in its dissolution. In particular, RQFII status means that any increase in the investment quota is subject to SAFE's authorisation. If the Sub-fund wishes to increase its quota it may take quite a long time to obtain SAFE's approval. Any restriction on the quota that the Sub-fund has been granted may affect its investments. Such a restriction may therefore affect the trading of the Sub-fund's shares on an exchange, which could, in such circumstances and depending on the exchange's rules, trade at more than their Net Asset Value. Lastly, if the sub-delegated asset manager loses its RQFII licence, if the RQFII quota is reduced, or if RQFII requirements are significantly increased, the Board of Directors may decide to dissolve the Sub-fund, subject to the AMF's approval.

- Risks of the Stock Connect Programmes

The Sub-fund's capacity to achieve its investment objective depends among other things on whether or not A-shares can be traded via the Stock Connect Programmes. The Stock Connect Programmes are currently subject to a daily quota on the net total of buy orders executed. If this quota is exceeded on a given Stock Connect Programme, buy orders on that Programme will be automatically suspended (at least temporarily), which could impair the Sub-fund's capacity to achieve its investment objective.

- Economic, political and social risks

Any political change, social instability and/or unfavourable diplomatic, political, economic and/or social development which may occur in or in connection with PRC (hereinafter a "Policy Change") could result in the imposition by the Chinese government of additional restrictions and limits, such as expropriation, confiscatory taxes or the nationalisation of certain companies included in the Benchmark Index. Investors should also note that a Policy Change may have an adverse impact on PRC stock exchanges and on the Sub-fund's performance and could ultimately result in the Sub-fund's dissolution by decision of the Board of Directors.

- Economic risks in PRC

The PRC economy has grown very rapidly. It is, however, not certain that this growth will continue and it may be irregular across the different sectors of the PRC economy. The PRC government has from time to time put in place various measures to prevent an excessively sharp acceleration of the business cycle and the transition of the country's economy from a socialist economy to one that is more market-oriented has caused economic and social tensions that could stop this transition or compromise its success. Any of these risks could diminish the Sub-fund's performance.

- Capital repatriation risks

The system for repatriating capital is subject to the approval of the Chinese SAFE authorities and to the risk that the repatriation of capital may be restricted in terms of amount or frequency (as of the date of the Sub-fund's inception RQFII regulations do however allow capital to be repatriated daily without requiring approval).

Furthermore, the regulations and standard economic practices in PRC that govern the repatriation of funds from the domestic Chinese market to other markets and their conversion into a foreign currency could be modified in a way that adversely affects the Sub-fund.

The unfavourable regulatory developments and situations described above could suspend or restrict the conversion or transfer of foreign currencies and could possibly:

- diminish the Sub-fund's capacity to fully achieve its investment objective
- diminish the Sub-fund's performance
- ultimately result in the Sub-fund's dissolution, by decision of the Board of Directors.

Capital gains and other capital increases are also subject to this risk.

- PRC legal system risk

The legal system in PRC is based on statutory law. However, some regulations have yet to be implemented and there is no assurance that they will actually ever be implemented in their entirety. In particular PRC regulations on the control of exchange rates are relatively recent and their application is still quite uncertain.

Moreover, these regulations give the Chinese authorities (and in particular CSRC and SAFE) broad discretion in their respective interpretation of the regulations, which leaves uncertainty as to how they might be applied and used. Any of these risks could diminish the Sub-fund's performance.

- State control of exchange rates and of future exchange rate movements

Under the current RQFII system offshore RMB (CNH) can be converted into onshore RMB (CNY) and vice-versa on a one-for-one basis. The CNH also serves as a pivot currency between the share class currencies (USD and CNY). There is no guarantee that in the future an exchange rate will not be applied to the conversion of CNH into CNY or vice-versa.

- Dependence on the A-shares market

The existence of a liquid market for A-shares depends on the supply of and demand for A-shares. It should be noted that the Shanghai and Shenzhen stock exchanges, on which the A-shares are listed, are undergoing huge changes and that their market capitalisations and trading volume are less than those of developed country exchanges. The volatility of A-share markets and any difficulty in trading A-shares or in settling A-share trades could result in significant fluctuations in the price of the securities traded in these markets, and ultimately in the Sub-fund's Net Asset Value.

- Taxation in the PRC

Several tax reforms have been introduced by the PRC government in recent years. The current tax rules may be revised or amended in the future.

Furthermore, the PRC's tax authority (the "State Administration of Taxation") has confirmed the 10% withholding tax on dividends, premiums and interest paid to investors with RQFII status (subsequent to the "PRC Corporate Income Tax Law", which came into effect on 1 January 2008) or who invest via the Shanghai Hong-Kong Stock Connect (subsequent to Caishui circular [2014] No. 81).

This withholding tax may be reduced by virtue of a double taxation treaty with China, provided that certain conditions are met and subject to the approval of PRC tax authorities.

It should also be noted that any dividends paid to shareholders by the Sub-fund will be obtained from the receipt of corresponding amounts from the investment in the A-shares and that all amounts of this kind will be net of the withholding tax on dividends, premiums and interest applicable in the PRC.

Concerning the taxation of share sales, on 14 November 2014, the PRC Ministry of Finance and tax authority issued circulars, which among other things specified the tax treatment to be applied to capital gains from the sale of "A-Shares" purchased subject to an RQFII quota or via the Shanghai Hong-Kong Stock Connect, the following should in particular be noted:

- Capital gains on sales before 17 November 2014 are taxable
- Capital gains on sales as of 17 November 2014 are temporarily tax exempt.

Since the PRC tax authority has not made a definitive pronouncement on how the tax would be calculated or collected, nor on the duration of the exemption, investors should note that:

- a) the Sub-fund's Net Asset Value may be adversely affected by a change in PRC tax rules
- b) the adverse impact on the Sub-fund's performance resulting from a change in PRC tax rules will depend on the date the Sub-fund's shares are bought or sold
- c) the magnitude of this adverse impact on the Sub-fund's performance may not be proportional to the number of shares that an investor holds in the Sub-fund if tax obligations in PRC are amended retroactively and, in certain circumstances, could amount to 100% of the Net Asset Value of a share class.

The asset manager by delegation has made a 10% provision on the Sub-fund's capital gains up to 14 November 2014. Furthermore, it should be noted that although the PRC tax authority has confirmed the temporary exemption of withholding tax on capital gains on share sales as of 17/11/2014, there is no way of knowing with certainty what investor obligations will be with respect to PRC's taxation of capital gains on share sales before 17/11/2014. Until further information is provided on the taxation and calculation of withholding tax on capital gains before 17 November 2014, there can be no assurance as to whether the aforementioned provision is sufficient or not, since it cannot currently be known with certainty what obligations may be imposed on investors with RQFII status in respect of the PRC's taxation of capital gains. If the provision made proves to be insufficient, this could adversely affect the Sub-fund's Net Asset Value. However, and as is the case for any mutual fund that complies with Directive 2009/65/EC, the Sub-fund's shareholders can lose no more than the capital they invest and the expense of purchasing and selling shares.

Furthermore, since Chinese tax authorities have only confirmed a temporary exemption of the taxation of capital gains made as of 17 November, the asset manager by delegation may decide to make a provision if Chinese tax authorities specify the duration of the exemption or amend this temporary rule in part or in whole. In this event, such a provision would adversely affect all of the Sub-fund's net asset values calculated as of the date of the first provision. Such a provision would also reduce the Sub-fund's performance relative to that of the Benchmark Index.

In addition to the withholding tax on dividends, premiums, interest and capital gains referred to above, since 19 September 2008 the sellers of A-shares have been required to pay a stock market tax of 0.1% of the share price. PRC authorities may decide to modify this tax.

- Accounting and reporting standards:

The standards and practices for accounting, auditing and the reporting of financial information that apply to PRC companies may differ from those of countries with more developed financial markets. Such differences can adversely affect certain practices such as asset valuation methods and the reporting of information to investors.

- Order execution risk in PRC

Under RQFII regulations, the sub-delegated asset manager must select one or more intermediaries ("Brokers") in PRC to execute stock-market orders involving A-shares on the Shanghai Stock Exchange and the Shenzhen Stock Exchange. The sub-delegated asset manager may select the same broker for transactions on both of these exchanges. If a Broker defaults, the Sub-fund may have difficulty recovering its assets, which could adversely affect its valuation.

Société Générale and the sub-delegated asset manager have procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

- Custody risk in PRC

Under RQFII regulations, a sub-custodian in PRC must be selected. The sub-custodian selected is Bank of China Limited, which in this capacity holds the Sub-fund's onshore RMB and securities accounts in PRC. Under RQFII regulations, these accounts must be registered jointly in the names of the sub-delegated asset manager (which has the RQFII license) and the Sub-fund. There is therefore a risk that the assets held in PRC may not be as well protected as if they were registered in the Sub-fund's name only.

When, pursuant to the investment strategy, the sub-delegated asset manager purchases and/or sells A-shares via the Stock Connect Programmes, the sub-custody in relation to these transactions may be entrusted to a sub-custodian other than Bank of China Limited (the "Third Party Sub-custodian"). In this case, the Sub-fund's accounts with the Third-Party Sub-custodian will be opened in the joint name of the Depository and the Sub-fund.

- Risk that trading is suspended

Trading in the benchmark index constituents may be temporarily suspended, making it impossible for the Sub-fund to value these securities correctly and/or buy or sell them.

Other risks in investing in this Sub-fund:

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Risk of investing in small and mid-cap companies

The Sub-fund is exposed to small-cap and mid-cap companies, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply and more rapidly in response to market movements than do the prices 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-capitalisation equities.

- Low Benchmark Index diversification risk

Since the index to which investors are exposed represents a given region, sector and strategy it may provide less diversification of assets in comparison with a broader index that is exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents and in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from that Benchmark Index.

- Emerging Market Risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

- Currency risk associated with listing exchanges

The Sub-fund may be listed on an exchange or multilateral trading facility in a currency that is not the currency of the Benchmark Index. Investors who purchase shares in the Sub-fund in a currency that is not that of the Benchmark index are exposed to currency risk. As a result, due to changes in exchange rates the value of an investment that is made in a currency other than that of the Benchmark Index may decrease even though the value of the Benchmark Index increases.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also affect the process of subscriptions, conversions and redemptions of shares.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- the calculation of the Benchmark Index is suspended or stopped
- trading in the market(s) in the Benchmark Index's underlying assets is suspended
- an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- a market maker fails to comply with an exchange's rules
- an exchange's IT, electronic or other system fails.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

The Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk due to a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the Sub-fund's estimated taxation and its actual taxation may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying constituents or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index constituent becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted)

vi) the Benchmark Index constituents are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a constituent of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors .

Investors in this Sub-fund are seeking upside and downside exposure to performance of the large caps on the A-shares market, namely, shares issued by companies incorporated in the People's Republic of China, excluding Hong Kong.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: Accumulation.

Dist share class: If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute all or part of income in one or more distributions annual.

SHARE CHARACTERISTICS

Subscription orders must be placed for a monetary amount or for a whole number of shares.

A whole number of shares must be redeemed.

SHARE CURRENCIES

| | | |
|----------------|-----------------|------------------|
| Share class | Acc share class | Dist share class |
| Share currency | USD | USD |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

| D-1 business day | D-1 business day | D: the day that NAV is calculated | D+1 business day | D+5 business days | D+5 business days |
|---|---|---|----------------------------------|---------------------------|-------------------------|
| Subscription orders are processed if received by 6:30 pm ¹ | Redemption orders are processed if received by 6:30 pm ¹ | Orders are executed no later than day D | The net asset value is published | Subscriptions are settled | Redemptions are settled |

¹Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 6:30pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm on the following Primary Market Day.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

The delivery and settlement of subscriptions and the settlement/delivery of redemptions shall be completed within five French business days after receipt of the subscription or redemption orders.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the closing prices of the Benchmark Index components and the WM Reuters fixing for the USDCNH exchange rate at 5:00 pm CET . The Sub-fund's net asset value is denominated in USD.

The net asset value of a unit class that is denominated in another currency than the Fund's accounting currency (if applicable) is calculated using the exchange rate between the accounting currency and the currency of the unit class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund acquired on the secondary market cannot generally be directly resold to the Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares or units in the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's constituents
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- (a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" part of the "General Characteristics" section of the Fund's prospectus, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NSYE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data that EuronextParis SA needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional

information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at <http://www.lyxoretf.com>.

- (b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the asset manager, the marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | 0.20% ¹ |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | 0.30% ¹ |

(1) The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, charged to the Sub-fund

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|---|-----------------------------|----------------|
| Investment management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.65% annual |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

Distribution of this prospectus and the offering or purchase of the Fund's share classes may be subject to restrictions with regard to certain persons or in certain countries by virtue of national regulations applying to these persons or countries. Investors are therefore responsible for ensuring that they are authorised to subscribe to or invest in this Fund. The information in this prospectus therefore cannot be construed to be an offer or solicitation to buy or sell shares in this Fund in a country where such offer or solicitation is unlawful.

The Fund's share classes will not be registered pursuant to the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and cannot be offered, assigned, transferred or allocated to the United States of America, or to:

- (A) any "U.S. Person", as this term is defined (i) under Regulation S of the US Securities Act of 1933 and (ii) under U.S. regulations as defined in Section 7701 (a) (30) of the Internal Revenue Code of 1986 as amended. The Fund's shares will not be offered to U.S. Persons.
- (B) anyone other than those persons considered to be "non-U.S. Persons" as this term is defined under U.S. regulations pursuant to the Commodity Futures Trading Commission, Rule 4.7 (a) (1) (iv).

The Fund's shares will only be offered for sale outside of the United States of America to non-U.S. Persons.

For the purpose of this document, the term "U.S. Person" shall mean, among other things, any individual who resides in the United States of America, any entity organised or formed under the laws of the United States of America, certain entities organised or formed outside of the United States of America by one or more U.S. persons, or any account held on behalf of such a U.S. person.

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 90% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

Euronext Paris SA will calculate and publish the Sub-fund's indicative net asset value, each Trading Day (as defined below) during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The LYXOR Hwabao WP MSCI CHINA A (DR) UCITS ETF sub-fund (the "Sub-fund") is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any entity involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares of mutual funds in general or in shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE

NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are accepted for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Multi Units France fund prospectus, the Key Investor Information Document and the most recent annual reports will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the asset manager's website and in the Multi-Unit France fund annual report.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>. The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on regulatory documents and the protection of investors. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the Sub-fund's overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities repurchase and reverse repurchase transactions are valued at the market price.
- Shares and units in investment funds subject to French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in Renminbi (RMB) is the WM Reuters fixing rate at 9:00 a.m. GMT published by Thomson Reuters on the day the Sub-fund's net asset value is determined.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

SUB-FUND NO. 14: LYXOR FORTUNE SG CHINA SOVEREIGN BONDS (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

C-USD share class: FR0012698157
D-USD share class: FR0012698165

CLASSIFICATION

Bonds and other international debt securities.

The LYXOR FORTUNE SG CHINA SOVEREIGN BONDS (DR) UCITS ETF sub-fund (the "Sub-fund") is continuously exposed to fixed-income securities denominated in other currencies than the euro (and possibly to fixed-income securities denominated in euros). Exposure to equity risk does not exceed 10% of the net assets.

The Sub-fund is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

The Sub-fund was approved by the Autorité des Marchés Financiers on 22/05/2015.

DELEGATED ASSET MANAGER

Fortune SG Asset Management (Hong Kong) Co. Limited has a "Type 9" license to manage assets in Hong Kong. It is domiciled at 19/F Three Pacific Place, 1 Queen's Road East, Hong Kong.

The sub-delegated asset manager has a Renminbi Qualified Foreign Institutional Investor (RQFII) license and has been granted a quota of bonds issued by the People's Republic of China for investment by the Sub-fund.

INVESTMENT OBJECTIVE

The Sub-fund's objective is to replicate the performance, whether positive or negative, of the S&P China Sovereign Bond 1-10 Year Spread Adjusted index (the "Benchmark Index"), denominated in Dollar US (USD), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index, which is representative of the performance of People's Republic of China government bonds having a maturity of 1 to 10 years.

The expected ex-post tracking error under normal market conditions is 1%.

Investors' attention is drawn to the risks incurred specifically from investing in the People's Republic of China (PRC), as described in greater detail in the Risk Profile section below.

It should also be noted that it is difficult to know with certainty the tax treatment that is applicable to investments in bonds in PRC and that current tax laws and regulations may be revised or amended in the future.

Consequently, investors should note that:

- a) the Sub-fund's Net Asset Value may be adversely affected by a change in PRC tax rules
- b) the adverse impact on the Sub-fund's performance resulting from a change in PRC tax rules will depend on the date the Sub-fund's shares are bought or sold
- c) the magnitude of this adverse impact on the Sub-fund's performance may not be proportional to the number of shares that an investor holds in the Sub-fund if tax obligations in PRC are amended retroactively and, in certain circumstances, could amount to 100% of the Net Asset Value of a share class.

The investor is therefore urged to refer to the "Taxation in the PRC" section below for more detailed information.

BENCHMARK INDEX

The Benchmark Index provides exposure to bonds issued by the People's Republic of China having a maturity of 1 to 10 years.

The Benchmark Index is calculated by S&P Dow Jones Indices LLC.

The weight of each component of the Benchmark Index is determined by the market value of the bonds, which must be selected from the investment universe described below:

Criteria for bond inclusion in the Benchmark Index:

- Only bonds issued by the People's Republic of China and listed on the Shanghai Stock Exchange, the Shenzhen Stock Exchange and the Chinese Interbank Bond Market (CIBM) may be included
- Maturity of 1 to 10 years
- A nominal value in circulation of at least 10 billion CNY
- Only fixed-rate coupon bonds.

The following types of bonds are not eligible for inclusion in the Benchmark Index:

- Floating-rate bonds or notes
- Callable bonds
- Inflation-linked debt securities
- Strip bonds.

The Benchmark Index is calculated using the Thomson Reuters “mid-price” for each bond. The index will be valued in USD using the TMA USD/CNH fixing rate at 11:00 am Hong Kong time.

The Benchmark Index is a “Total Return” type index (i.e. all coupons from the Benchmark Index components are reinvested in the Benchmark Index).

BENCHMARK INDEX PUBLICATION

The Benchmark Index closing price is available at www.spindices.com

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, S&P Dow Jones Indices LLC, the administrator of the S&P China Sovereign Bond 1-10 Year Spread Adjusted (USD) benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA’s register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

BENCHMARK INDEX COMPOSITION AND REVISION:

The Benchmark Index is revised monthly.

The frequency with which the Benchmark Index is rebalanced will affect the cost of implementing the Investment Strategy.

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 S&P Dow Jones’ website at www.spindices.com.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will use a direct replication method, which means that it will invest mainly in the Benchmark Index’s constituents.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a “sampling” technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents and/or to reduce the operational constraints of investing in the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index and/or sampling) and on its consequences in terms of the assets in the Sub-fund’s portfolio, information on the updated composition of the basket of ‘balance sheet’ assets in the Sub-fund’s portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor’s website at www.lyxoretf.com. 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.

Up to 20% of the Sub-fund’s assets may be exposed to debt issued by a non-OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the assumptions set out in the above paragraph, the securities issued by the same issuing state may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets. The above-mentioned securities must be financial instruments issued or guaranteed by a Member State of the European Union, a third-party country, local authorities of a Member State of the European Union or a party to the agreement on the EEA.

Investors should also note that (i) Fortune SG Asset Management (Hong Kong) Co. and/or (ii) Lyxor International Asset Management / Lyxor Asset Management is a Renminbi Qualified Foreign Institutional Investor (hereinafter “RQFII”) and has a license as such (an “RQFII License”) that is valid in the People’s Republic of China (“PRC”) and is allotted a RQFII quota specifically for the Sub-fund’s investments (the “Quota”) that will enable the aforementioned sub-delegated asset manager, acting in the Sub-fund’s name and on its behalf, to implement the aforementioned Invested Strategy. More specifically, and subject to the risks indicated in the Risk Profile section below, the aforementioned RQFII License(s) and Quota(s) will enable the sub-delegated asset manager to:

- Invest in PRC bonds, in the Sub-fund’s name and on its behalf, subject to the terms and within the limits of the License and Quota, with no minimum holding period requirement
- Repatriate into and out of PRC the amount of funds the Sub-fund needs to buy or sell bonds, every business day in PRC and effect any foreign exchange transactions that are required to convert funds in yuan (CNY) into the currency of the relevant share class.

Investors may obtain more information on the terms that govern the sub-delegated asset manager’s transactions in PRC bonds, under the RQFII License(s) and Quota(s) upon written request to the sub-delegated asset manager.

| | |
|--|---|
| Sub-fund's targeted interest-rate sensitivity | Between 1 and 8 |
| Currencies in which the Sub-fund's securities are denominated | CNY: 100% of net assets Other: 0% of net assets |
| Foreign exchange risk to which the Sub-fund is exposed | 100% maximum of net assets. |
| Geographic regions of the issuers of the securities to which the Sub-fund is exposed | Geographical zone: Emerging countries: People's Republic of China (100% of net assets) |

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest in global bonds, in compliance with regulatory ratios.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by its asset manager or by a company that is related thereto.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivative financial instruments (DFI) traded on a regulated market or over the counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Temporary security transactions

The Sub-fund shall not engage in any securities financing transactions

8. Collateral N/A.

The Sub-fund will not give or receive any collateral for the purpose of its investment management.

RISK PROFILE

The shareholder's money will mainly be invested in the financial instruments selected by the sub-delegated asset manager. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

-
- a) Risks specific to investing in the People's Republic of China
- b) Persons buying shares in the Sub-fund must be aware of the following risks inherent to any investment in the People's Republic of China (PRC):
- RQFII risk

The Sub-fund's capacity to achieve its investment objective depends on the RQFII quota it is allotted. If the Sub-fund's RQFII quota is too small this could adversely affect the Sub-fund's operation. PRC regulations governing RQFII status may also be amended at any time by the China Securities Regulatory Commission (CSRC) and/or, with respect to foreign exchange, by the State Administration of Foreign Exchange ("SAFE") bureau, which could adversely affect the Sub-fund's capacity to achieve its investment objective and result in its dissolution. In particular, RQFII status means that any increase in the investment quota is subject to SAFE's authorisation. If the Sub-fund wishes to increase its quota it may take quite a long time to obtain SAFE's approval. Any restriction placed on the quota made available to the Sub-fund may affect its investments, in which case the Board of Directors could decide to close the Sub-fund to all new subscriptions. Such a restriction may therefore affect the trading of the Sub-fund's shares on an exchange, which could, in such circumstances and depending on the exchange's rules, trade at more than their Net Asset Value. Lastly, if Lyxor International Asset Management, Lyxor Asset Management or Fortune SG Asset Management (Hong Kong) Co. Limited lose their RQFII license, if the RQFII quota is reduced, or if RQFII requirements are significantly increased, the Board of Directors may decide to dissolve the Sub-fund, subject to the AMF's approval.

- Economic, political and social risks

Any political change, social instability and/or unfavourable diplomatic, political, economic and/or social development which may occur in or in connection with PRC (hereinafter a "Policy Change") could result in the imposition by the Chinese government of additional restrictions and limits. Investors should also note that a Policy Change may have an adverse impact on PRC stock exchanges and on the Sub-fund's performance and could ultimately result in the Sub-fund's dissolution by decision of the Board of Directors.

- Economic risks in the PRC

The economy of the PRC has recently grown very rapidly. It is, however, not certain that this growth will continue and it is possible that growth will be uneven across the different sectors of the PRC economy. The PRC government has from time to time put in place various measures to prevent an excessively sharp acceleration of the business cycle. Moreover, the transformation of the PRC's economy from a socialist economy to a more market-oriented economy has resulted in economic and social tensions in the country such that no guarantee can be given that this transformation will continue or will remain a success. These considerations could negatively affect the performances of the Sub-fund.

- Capital repatriation risks

The system for repatriating capital is subject to the approval of the Chinese SAFE authorities and to the risk that the repatriation of capital may be restricted in terms of amount or frequency (as of the date of the Sub-fund's inception RQFII regulations do however allow capital to be repatriated daily without requiring approval). Furthermore, the regulations and standard economic practices in PRC that govern the repatriation of funds from the domestic Chinese market to other markets and their conversion into a foreign currency could be modified in a way that adversely affects the Sub-fund.

The unfavourable regulatory developments and situations described above could suspend or restrict the conversion or transfer of foreign currencies and could possibly:

- (i) diminish the Sub-fund's capacity to fully achieve its investment objective
- (ii) diminish the Sub-fund's performance
- (iii) ultimately result in the Sub-fund's dissolution, by decision of the Board of Directors.

- Legal system in the PRC

The legal system in the PRC is based on statutory law. However, some regulations have yet to be implemented and there is no assurance that they will actually ever be implemented in their entirety. In particular PRC regulations on the control of exchange rates are relatively recent and their application is still quite uncertain. Moreover, these regulations give the Chinese authorities (and in particular CSRC and SAFE) broad discretion in their respective interpretation of the regulations, which leaves uncertainty as to how they might be applied and used. These considerations could negatively affect the performances of the Sub-fund.

- State control of exchange rates and of future exchange rate variations

Under the current RQFII system offshore RMB (CNH) can be converted into onshore RMB (CNY) and vice-versa on a one-for-one basis. The CNH also serves as a pivot currency between the USD and CNY share class currencies. There is no guarantee that in the future an exchange rate will not be applied to the conversion of CNH into CNY or vice-versa. As long as an exchange rate is not required assets in China will be valued in CNH and consequently any appreciation of the CNH vs. the USD will enhance the performance of the Benchmark Index (denominated in CNY and valued in CNH) expressed in USD, which the Sub-fund tracks and therefore the Sub-fund's net asset value, which will be expressed in USD or EUR. If the CNH depreciates against the USD the opposite will occur.

- Taxation in the PRC

Several tax reforms have been introduced by the government of the PRC in recent years, and it is possible that the current tax rules will be revised or amended in the future.

Taxation of capital gains

There is no way of being certain whether or not a 10% withholding tax will be applied to any capital gains on selling PRC bonds. A French tax resident may be exempted from this withholding tax under a tax treaty between France and China, which came into effect on 28 December 2014 (the "Convention"). This exemption is subject to the prior approval of the PRC tax authorities. At the date of the Sub-fund's inception, the approval of the PRC tax authorities had not been obtained. If tax authorities require the payment of a withholding tax on capital gains on the sale of PRC bonds, the asset manager would submit an application to the PRC tax authorities to enable the Sub-fund to benefit from the Convention. After examining the situation and consulting with an independent tax advisor, the asset manager believes that since the Sub-fund is a French tax resident it is entitled to benefit from the Convention and has therefore decided not to make a provision to account for the possibility that it may have to pay such a withholding tax.

Although tax is currently not withheld in PRC on capital gains on the sale of PRC bonds, there is a risk that (i) PRC tax authorities may decide to impose such a withholding tax and (ii) that PRC tax authorities refuse the asset manager's request for exemption under the Convention. The PRC tax authorities could make this decision with no prior notification. Moreover, there is a potential risk of this tax measure being applied retrospectively. Any withholding tax on capital gains on the sale of PRC bonds that could be required by tax authorities could be charged to the Sub-fund.

Taxation of interest income

It should also be noted that, as of the Sub-fund's inception date, pursuant to the provisions of the PRC Corporate Income Tax Law (effective from 1 January 2008), interest paid by PRC bonds is not subject to withholding tax.

There is a risk however that current tax laws or regulations may be revised or amended in the future and that the PRC tax authorities may seek to impose such a withholding tax. If so, the PRC tax authorities could make this decision with no prior notice. Moreover, there is a risk that this tax measure could be applied retroactively. Any withholding tax on interest paid by the PRC bonds that tax authorities could require could be charged to the Sub-fund.

Consequently, if the tax authorities come to require the payment of a withholding tax on (i) capital gains on the sale of PRC bonds and/or (ii) on the interest paid by PRC bonds, in order to attenuate the impact of this eventuality, the delegated asset manager could decide to make a provision for (i) the realised and/or unrealised capital gains (ii) the interest received by the Sub-fund. If this should be the case, this provision would therefore reduce the Sub-fund's net asset values calculated as of the first provision date, and therefore affect investors in the Sub-fund's shares from this date (including those who buy and sell shares in the secondary market). Such a provision would also reduce the Sub-fund's performance relative to that of the Benchmark Index. Furthermore, there can be no assurance that this provision

will be sufficient if a capital gains tax is applied retroactively, since it is impossible to know with any certainty what obligations will be imposed on investors with RQFII status in respect of the PRC government's taxation of capital gains and profits. Any retroactive application of this tax could result in a significant or even large decrease in the Sub-fund's net asset value per share. A shareholder may therefore incur losses from the introduction of a withholding tax on capital gains from selling PRC bonds or on the interest paid by PRC bonds for periods prior to the shareholder's purchase of shares in the Sub-fund and these losses may be far greater than the gain or loss resulting directly from the shareholder's investment in the Sub-fund. However, and as is the case for any mutual fund that complies with Directive 2009/65/EC, the Sub-fund's shareholders can lose no more than the capital they invest and the expense of purchasing and selling shares.

Consequently, we draw the attention of investors to the fact that:

- a) the Sub-fund's Net Asset Value may be adversely affected by a change in PRC tax rules
- b) the adverse impact on the Sub-fund's performance resulting from a change in PRC tax rules will depend on the date the Sub-fund's shares are bought or sold
- c) the magnitude of this adverse impact on the Sub-fund's performance may not be proportional to the number of shares that an investor holds in the Sub-fund if tax obligations in PRC are amended retroactively and, in certain circumstances, could amount to 100% of the Net Asset Value of a share class.

- Order execution risk in PRC

Pursuant to RQFII regulations, the sub-delegated asset manager must select one or more intermediaries to execute orders (i.e. a "Broker") in PRC for bonds traded on the Shanghai Stock Exchange, the Shenzhen Stock Exchange and the CIBM. The sub-delegated asset manager may select the same Broker to execute orders on these three exchanges. If a Broker fails to execute an order, the Sub-fund could have difficulty in recovering its assets in a timely manner, which could adversely affect the Sub-fund's valuation. The delegated asset manager and the sub-delegated asset manager have procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

- Custody risk in PRC

Under RQFII regulations, a custodian in PRC must be selected. This custodian selected is Industrial and Commercial Bank of China Limited ("ICBC"), which also serves as the SICAV fund's sub-custodian. ICBC Limited holds the Sub-fund's onshore RMB and securities accounts in PRC. Under RQFII regulations, these accounts must be registered in the name of the holder of the RQFII license and the Sub-fund. There is therefore a risk that the assets held in PRC may not be as well protected as if they were registered in the Sub-fund's name only.

- Development of the PRC Bond market

Investors should note that PRC securities exchanges, and in particular PRC bond exchanges, are at an early stage of their development and that the volume of securities traded on these exchanges may be less than that traded in more developed financial markets. The lack of liquidity that may result from relatively less trading on PRC debt markets may result in significant variations in the prices of the securities traded on these markets, and may result in considerable volatility of the Sub-fund's Net Asset Value.

- Risks arising from the exchanges on which the securities are listed or traded

PRC securities exchanges are generally entitled to suspend or limit the trading of any security traded on the exchange.

If trading is suspended, the Sub-fund could be unable to correctly value the securities and the sub-delegated asset manager would be unable to liquidate its positions. Furthermore, when trading is resumed, the sub-delegated asset manager could be unable to liquidate its positions at a favourable price. This could expose the Sub-fund to substantial loss.

The Sub-fund may buy or sell bonds on the Shanghai Stock Exchange and the Shenzhen Stock Exchange, which are PRC's two main stock exchanges, and on the CIBM, which is an over the-counter market founded in 1997. On the CIBM, institutional investors may buy or sell over the counter various types of debt securities, including government and corporate bonds. Bonds on the CIBM must be traded bilaterally on a transaction-by-transaction basis. Investors should be aware that the trading of securities on the CIBM increases the Sub-fund's exposure to counterparty risk.

The CIBM is regulated and supervised by the People's Bank of China ("PBOC"). The PBOC is responsible for determining the CIBM's listing, trading and operating rules and for supervising CIBM operators. In order to trade securities on the CIBM, the sub-delegated asset manager and/or the delegated asset manager must first obtain the PBOC's authorisation. At the date of the Sub-fund's inception, neither the sub-delegated asset manager nor the delegated asset manager had been granted this authorisation. There is a risk that this authorisation may not be obtained and that the Sub-fund may not be able to participate in the CIBM, and therefore not benefit from the additional liquidity that the CIBM provides.

- Settlement and delivery risk

Investing in debt securities will expose the Sub-fund to counterparty default risk. PRC bonds that are traded on organised exchanges may be exposed to counterparty risk, even though this risk is reduced by a central clearing platform. Counterparty risk may be higher when securities are traded on the CIBM, where transactions occur directly between two counterparties. A counterparty in a transaction with the Sub-fund may default on its obligation by failing to deliver the security or to make payment for it. If one of its counterparties goes bankrupt or becomes insolvent, the Sub-fund may be delayed in liquidating its positions and consequently may suffer considerable loss.

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Other risks in investing in this Sub-fund:

- Interest rate risk

The price of a bond can be affected by unexpected changes in the level of interest rates, which in particular may modify the shape of the yield curve in particular. The bonds that make up the Benchmark Index are exposed to changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Credit risk

The Sub-fund could be adversely affected by a lowering of the credit rating of one or more issuers of a bond in the Benchmark Index. This could mean a higher risk that such an issuer might default and could decrease the bond's value.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or derivatives. In compliance with UCITS regulations, exposure to counterparty risk (whether the counterparty is Société Générale or another entity), cannot exceed 10% of the Sub-fund's total assets per counterparty.

- Emerging Market Risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Low diversification risk:

The Benchmark Index to which investors are exposed represents only the PRC sovereign bond market, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Risk of using derivative financial instruments

The Sub-fund may use derivative financial instruments (DFI) on an ancillary basis. The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI is much less than the exposure obtained using these instruments, each transaction involves "leverage". A relatively small market movement may therefore have a very large proportional positive or negative impact on the Sub-fund. DFI are highly volatile and their market value can vary considerably. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Counterparty risk

The Sub-fund may use derivative financial instruments (DFI) on an ancillary basis.

In this case, the Sub-fund will be exposed to the risk that a counterparty with which the Sub-fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The Sub-fund will in particular be exposed to counterparty risk resulting from the use of DFI traded over the counter. If a counterparty defaults on an obligation the DFI contract may be terminated before maturity. If this risk materializes it could have an impact on the Sub-fund's ability to achieve its investment objective, i.e. to replicate the Benchmark Index.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- the Benchmark Index is permanently cancelled by the index provider
- the index provider is unable to indicate the level or value of the Benchmark Index
- the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost;
- a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a constituent of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The aforementioned share classes are exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely affect the Benchmark Index of the aforementioned share classes.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in this Sub-fund are seeking exposure to increases and decreases in the prices of PRC government bonds.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment horizon is three years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

C-USD share class: all distributable amounts are accumulated.

D-USD share class: If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a monetary amount or for a number of shares.

A whole number of shares must be redeemed.

SHARE CURRENCY

| | | |
|---------|-------------------|-------------------|
| | C-USD share class | D-USD share class |
| Current | USD | USD |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depository from 10:00 am to noon (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the second following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after noon (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to noon (Paris time) on the following Primary Market Day. Subscription/redemption requests may only be made for a number of sub-fund shares, corresponding to a minimum amount in USD equivalent to EUR 100,000.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement:

Subscriptions must be fully paid up on the date that subscription orders are received. (by the transfer agent before noon Paris time).

The delivery of subscriptions and the settlement/delivery of redemptions shall be completed within five French business days after receipt of the subscription or redemption orders.

Date and frequency of net asset value calculation:

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the mid-price of the Benchmark Index components calculated by Thomson Reuters, and the TMA USD/CNH fixing rate at 11:00 am (Hong Kong Time).

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the WM Reuters exchange rate between the Accounting currency and the currency of the share class at 9:00 a. m. GMT on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS:

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Redemptions made in the primary market in this case shall only be subject to a redemption fee paid to the Sub-fund and which serves to cover its trading costs. The redemption fee that is not kept by the Sub-fund will normally not be charged.

In such exceptional cases when redemption in the primary market is allowed, the delegated asset manager shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The delegated asset manager shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS:

- (a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)

- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris will calculate and publish, each Trading Day (as defined below) and during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5. 35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent securities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

As the Sub-fund's delegated asset manager, Lyxor International Asset Management will provide Euronext Paris SA with all the financial and accounting data that Euronext Paris SA needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time the following Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- (b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on exchanges such as indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the asset manager, the marketing agent or other service provider.

| Fees paid by investors and deducted from Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|--------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share x the number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x the number of shares | 1% ⁽¹⁾ |
| Redemption fee not kept by the Sub-fund | NAV per share x the number of shares | The higher value of either EUR 50,000 per redemption request or 5% of payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x the number of shares | 1% ⁽¹⁾ |

(1) The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all costs charged directly to the Sub-fund, excluding transaction expenses, which include intermediary fees and expenses (brokerage fees, stock exchange taxes etc.) and any account activity charges that may be charged, generally by the custodian or the asset manager.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives. They are charged to the Sub-fund.
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|---------------------|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.50% p. a. maximum |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

LYXOR FORTUNE SG CHINA SOVEREIGN BONDS (DR) UCITS ETF is not sponsored, endorsed, sold or promoted by Standard & Poor's or its subsidiaries ("S&P®"). S&P® makes no representation or warranty, express or implied, to the owners of the Fund or to any member of the public regarding the advisability of investing in securities generally or in the Fund in particular or the ability of the S&P® China Sovereign Bond 1-10 Year index to track the returns and performance of any financial market and/or any subset of a financial market and/or group or category of assets. The only binding relationship between S&P® and Lyxor International Asset Management is the granting of licenses for certain registered trademarks or commercial marks and for the "S&P China Sovereign Bond 1-10 Year" index, which is defined, composed and calculated by S&P®, without regard for Lyxor International Asset Management or the Sub-fund. In defining the composition of or calculating the "S&P China Sovereign Bond 1-10 Year" index, S&P® is not obliged to take into account the needs of Lyxor International Asset Management or the Sub-fund holders. S&P® is not responsible for and has not participated in the determination of the prices or amounts of the Sub-fund or of the timing of Sub-fund issues or sales, or in the determination or calculation of the equation by which the Fund's share to be converted into cash. S&P® has no obligation or liability in connection with the administration, marketing or trading of the Sub-fund.

S&P® does not guarantee the Accuracy and/or the completeness of the S&P® China Sovereign Bond 1-10 Year index or of any data included therein and shall have no liability for any errors, omissions or interruptions therein. S&P® makes no representation or warranty expressed or implied as to the results to be obtained by Lyxor International Asset Management, by the owners of the Fund or by any other person or entity from the use of the S&P® China Sovereign Bond 1-10 Year index or of any data included therein. S&P® makes no representation or warranty expressed or implied and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use and any other express or implied warranty in relation to the S&P® China Sovereign Bond 1-10 Year index or to any data included therein.

Without limiting any of the foregoing, in no event shall S&P® have any liability for any special, punitive, indirect or consequential damages (including lost profits) resulting from the use of the S&P® China Sovereign Bond 1-10 Year index or of any data included therein, even if notified of the possibility of such damages.

ADDITIONAL INFORMATION

The Sub-fund's shares are accepted for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The SICAV Multi Units France prospectus, the Key Investor Information Document and the most recent annual reports will be sent to investors within eight business days upon written request to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the asset manager's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the asset manager's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the assumptions set out in the above paragraph, the securities issued by a single issuer may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets. The securities must be financial instruments issued or guaranteed by a Member State of the European Union, a third-party country, local authorities of a Member State of the European Union or a party to the agreement on the EEA.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and in particular the rules of CRC Regulation No. 2014-01 of 14 January 2014 on the chart of accounts for French UCITS.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Government and corporate bonds will be valued using the same method as that used for the Index that the Sub-fund replicates.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in US dollars.

SUB-FUND NO. 13: LYXOR MSCI WORLD EX EMU UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

Acc share class: FR0013209921
Dist share class: FR0013209939
Monthly Hedged to EUR - Acc share class: FR0013209947
Monthly Hedged to EUR - Dist share class: FR0013209954
Monthly Hedged to GBP - Acc share class: FR0013209962
Monthly Hedged to GBP - Dist share class: FR0013209970
Monthly Hedged to CHF - Acc share class: FR0013209988
Monthly Hedged to CHF - Dist shares class: FR0013209996

CLASSIFICATION

Global equities.

The Lyxor MSCI World Ex EMU UCITS ETF fund (the "Sub-fund") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l'Autorité des Marchés Financiers (the French financial markets authority) on 10 October 2016.
It was created on 24 October 2016.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the World ex EMU Net Total Return index (hereinafter the "Benchmark Index") denominated in USD and representative of the performance of medium and large capitalisation companies listed on the stock markets of developed countries, excluding those of the eurozone, while minimising the tracking error between the Sub-fund and the Benchmark Index.

The expected ex-post tracking error, under normal market conditions, is 0.07%.

BENCHMARK INDEX

The Benchmark Index is a Net "Total Return" index (i.e. the net dividends from the Benchmark Index constituents are reinvested).

The Benchmark Index is an equity index that is calculated and published by the global index provider MSCI.

It measures the overall performance of equity markets in the developed countries, except for those of the eurozone. It covers approximately 85% of each country's total stock market capitalisation.

The Benchmark Index is composed of multiple MSCI indices each of which represents countries which MSCI considers to be "developed", while excluding those of the eurozone.

The weighting of each stock in the Benchmark Index is adjusted in line with its free-floating market capitalisation. As a result the number of stocks in the Benchmark Index can change over time.

The MSCI methodology and calculation method are based on a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index constituents are available on the Internet at <https://www.msci.com/>.

The performance tracked is that of the Benchmark Index's closing price.

BENCHMARK INDEX COMPOSITION AND REVISION

The Benchmark Index is rebalanced quarterly.

The exact composition and the rules concerning Benchmark Index revisions are published by MSCI and are available on its website at <https://www.msci.com/>.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

BENCHMARK INDEX PUBLICATION

The Benchmark Index is calculated daily at the close of trade using the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The closing price of the Benchmark Index is available on MSCI's website at <https://www.msci.com/>.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, MSCI, the administrator of the World ex EMU Net Total Return benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of assets held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund can hold in its portfolio global equities in all economic sectors and listed on any exchange, including "small-cap" exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, including:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)

- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty) will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit up to 20% of its assets in the form of cash with credit institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Financial guarantees

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. More specifically, all collateral received must meet the following conditions:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price.
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied.
- (c) The collateral must be issued by an entity that is independent from the counterparty and must not be highly correlated with the counterparty's financial performance.
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) The Sub-fund's Management Company must be able to fully enforce the collateral at all times without the prior consultation or approval of the counterparty.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) the shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) bonds issued or guaranteed by top-rated issuers that offer sufficient liquidity
- (vi) shares admitted for trading or traded on a regulated market of an EU member state, on a securities exchange of an OECD member state, or on a securities exchange of a non-OECD country provided that the conditions of points (a) to (e) above are fully met and that these shares are a component of a leading stock index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of this discount will depend on the following criteria:

- the type of asset provided as collateral
- the maturity of the asset provided as collateral (if relevant)
- the credit rating of the issuer of the asset provided as collateral (if relevant).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also adversely affect share subscription, conversion and redemptions.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of investing in small and mid-cap companies

The Sub-fund is exposed to small and medium capitalisation companies and more specifically to the equity securities of small, medium and "intermediate" size 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-capitalisation equities.

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs:

- Derivatives risk

In order to secure the Benchmark Index returns and achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These derivatives involve various risks, such as counterparty risk, hedging disruption, index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the Sub-fund's taxation. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund (and/or of the Sub-fund's DFI counterparty) may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of the Sub-fund's shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to this Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted.
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

- Currency hedging risk on the Monthly Hedged to EUR - Acc, Monthly Hedged to EUR - Dist, Monthly Hedged to GBP - Acc, Monthly Hedged to GBP - Dist, Monthly Hedged to CHF - Acc and Monthly Hedged to CHF - Dist share classes:

To hedge the EUR currency risk (and respectively the GBP and CHF currency risk) against the currency of each of the securities that make up the Benchmark Index for the relevant Monthly Hedged share class, the Sub-fund will employ a hedging strategy that enables it to reduce the impact of a change in the exchange rate between the currency of each of the securities that make up the Benchmark Index and the currency of that share class. However, given the monthly adjustment of the hedging and the hedging instruments employed this does not necessarily ensure zero exposure to adverse market movements that may decrease the net asset value of the share class. The cost of hedging currency risk will also decrease the net asset value of the Monthly Hedged share classes.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is This Sub-fund is available to all investors.

Investors in this Sub-fund seek exposure to the financial performance of mid-cap and large-cap companies listed on developed country exchanges, excluding those of the eurozone countries.

The amount that should reasonably be invested in this Sub-fund depends on the personal situation of each investor. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CURRENCY

| Currency | Acc share class | Dist share class | Monthly Hedged to EUR - Acc and Monthly Hedged to EUR - Dist share classes | Monthly Hedged to GBP - Acc and Monthly Hedged to GBP - Dist share classes | Monthly Hedged to CHF - Acc and Monthly Hedged to CHF - Dist share classes |
|----------|-----------------|------------------|--|--|--|
| | USD | USD | EUR | GBP | CHF |

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all amounts available for distribution are reinvested.

Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. All net capital gains realised will be accumulated.

Monthly Hedged to EUR - Acc share class: all amounts available for distribution are accumulated

Monthly Hedged to EUR - Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. all net capital gains realised will be accumulated.

Monthly Hedged to GBP - Acc share class: all amounts available for distribution are accumulated.

Monthly Hedged to GBP - Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. all net capital gains realised will be accumulated.

Monthly Hedged to CHF - Acc share class: all amounts available for distribution are accumulated.

Monthly Hedged to CHF - Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. all net capital gains realised will be accumulated.

DISTRIBUTION FREQUENCY

The Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions are made in whole numbers of shares.

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary until 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received by 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares, and, for share classes denominated in USD, GBP and CHF, for a minimum amount in USD, GBP, CHF respectively that is equivalent to 100,000 EUR.

Subscriptions and redemptions in cash.

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days after the subscription or redemption order is received.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund acquired on the secondary market cannot generally be directly resold to the Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "*Subscription and Redemption Fees(charged only on primary market transactions)*".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "*Subscription and redemption fees (charged only on primary market transactions)*", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on The Euronext Paris exchange, as indicated in the "Key Information" section, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 "Appendix to the Euronext Market Trading Manual"
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's Indicative Net Asset Value by more than 3%.

Euronext Paris may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris cannot obtain the Benchmark Index's level
- Euronext Paris cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris market.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum par value of EUR100,000 on the buy and sell side.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is normally calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, depending on the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern the share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|---|---|
| Subscription fee not kept by the Sub-fund | NAV per share x the number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x the number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x the number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x the number of shares | N/A |

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage fees, stock market taxes etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below).
incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives.
account activity charges, which are charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum rate for the Acc and Dist share classes | Maximum rate for the Monthly Hedged to EUR - Acc, Monthly Hedged to EUR - Dist, Monthly Hedged to GBP - Acc, Monthly Hedged to GBP - Dist, Monthly Hedged to CHF - Acc and Monthly Hedged to CHF - Dist share classes |
|--|-----------------|---|---|
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.35% annual | 0.45% annual |
| Of which administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) | Net asset value | 0.12% annual | |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A | |

| | | |
|-------------------------|-----------------------------|-----|
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy – 92800 Puteaux, France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any representation or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares or units of investment funds in general or in the shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or of the holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the

determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENCE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. WITHOUT PREJUDICE TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted for clearing by Euroclear France S.A.
Subscription and redemption orders are sent to the Depository by the investors' financial intermediaries (members of Euroclear France SA).

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request submitted to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) contains additional information on the relevant regulatory documents and investor protection measures.
This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities. Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If

these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. The management company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. The management company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (*bons de caisse*), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been adjusted, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in USD.

SUB-FUND NO. 14: Lyxor FTSE US QUALITY Low Vol Dividend (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

| | |
|---|--------------|
| Acc share class: | FR0013235249 |
| Dist share class: | FR0013235256 |
| Daily Hedged to EUR - Acc share class: | FR0013235264 |
| Daily Hedged to EUR - Dist share class: | FR0013235272 |
| Daily Hedged to GBP - Acc share class: | FR0013235280 |
| Daily Hedged to GBP - Dist share class: | FR0013235298 |
| Daily Hedged to CHF - Acc share class: | FR0013235306 |
| Daily Hedged to CHF - Dist share class: | FR0013235314 |

CLASSIFICATION

Global equities.

At least 60% of the net assets of the Lyxor FTSE US Quality Low Vol Dividend (DR) UCITS ETF sub-fund (the “**Sub-fund**”) are continuously exposed to a foreign equity market or to the equity markets of two or more countries, one of which may be France.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l’Autorité des Marchés Financiers (the French financial markets authority) on 24/03/2017.

INVESTMENT OBJECTIVE

The investment objective of the Lyxor FTSE US Quality Low Vol Dividend (DR) UCITS ETF sub-fund is to replicate the performance, whether positive or negative, of the “FTSE USA Qual/Vol/Yield Factor 5% Capped Index”(the “Benchmark Index”) which is denominated in USD, is representative of the stock performance of a basket of companies based in the United States, and which gives equal weighting to their dividend yields, volatility and financial quality, while minimising the tracking error between the Sub-fund and Benchmark Index. The weight of each equity in the Benchmark Index is capped at 5%.

For the Daily Hedged to EUR - Acc and Daily Hedged to EUR - Dist share classes, the Sub-fund will employ a daily currency hedging strategy to reduce the impact of a change in the euro (EUR) exchange rate vis-à-vis each of the equities that make up the Benchmark Index.

For the Daily Hedged to GBP - Acc and Daily Hedged to GBP - Dist share classes, the Sub-fund will also employ a daily currency hedging strategy to reduce the impact of a change in the pound sterling (GBP) exchange rate vis-à-vis each of the equities that make up the Benchmark Index.

For the Daily Hedged to CHF - Acc and Daily Hedged to CHF - Dist, the Sub-fund will also employ a daily currency hedging strategy to reduce the impact of a change in the Swiss franc (CHF) exchange rate vis-à-vis each of the equities that make up the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.20%.

BENCHMARK INDEX

The Benchmark Index is the “ FTSE USA Qual/Vol/Yield Factor 5% Capped Index”. It is a “Net Total Return’ index, which means that the net dividends paid by the Benchmark Index’s components are reinvested in the Benchmark Index after the deduction of withholding tax. It is denominated in USD.

The Benchmark Index is published and calculated by the index provider FTSE International Limited. The Benchmark Index’s investment universe is that of the FTSE USA Index (the “Parent Index”), which is representative of large-capitalisation companies based in the United States.

The weight of each Benchmark Index component depends on its weight in the Parent Index (based on its adjusted market capitalisation) and on the following financial analysis criteria, each of which is weighted equally to determine an overall score which may range from 0 to 1:

- the dividend yield (12-month moving average)
- volatility (5-year moving average)
- financial quality, as determined from the following indicators: (i) return on assets, (ii) change in the asset turnover ratio, (iii) revenue quality (proportion of accounts receivable on the balance sheet) and (iv) the debt-to-equity ratio.

If the weight of a component thus determined falls below 0.05% it is excluded from the Benchmark Index. Accordingly the Benchmark Index may have fewer components than the Parent Index.

The weight of each security is capped at 5% of the Benchmark Index.

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 <http://www.ftse.com/>.

The performance tracked is that of the Benchmark Index’s daily closing price.

Benchmark Index composition and revision

The Benchmark Index's composition is revised annually.

The weights of the Benchmark Index components are revised quarterly.

The exact composition and FTSE International Limited’s rules for rebalancing the Benchmark Index are available on the Internet at <http://www.ftse.com/>.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication:

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The Benchmark Index's closing price is available on the Internet at <http://www.ftse.com/>

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE, the administrator of the FTSE USA Qual/Vol/Yield Factor 5% Capped Index benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will use a direct replication method, which means that it will invest mainly in the Benchmark Index's constituents.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative financial instruments (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index 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 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including "small-cap" exchanges. The Sub-fund will mainly be invested in the securities that make up the Benchmark Index.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivatives traded on a regulated market or over the counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities including derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit up to 20% of its assets in the form of cash with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including the temporary sale of securities.

Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.

Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of assets under management.

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a subsidiary of the group of which Société Générale is a subsidiary and is therefore tied to the agent.

The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating costs.

These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating costs/charges and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.

All income obtained from the lending of securities (from which must be deducted all direct and indirect operating costs borne by the Agent and if applicable by the management company) shall be paid to the relevant Sub-fund. Since these direct and indirect costs do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing expenses.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and
- the income generated by efficient portfolio management techniques over the relevant period, and any associated direct and indirect operating costs or expenses.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price.
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied.
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance.
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) The Sub-fund's management company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) the shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) bonds issued or guaranteed by first-class issuers offering sufficient liquidity;

- (vi) equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of this discount will depend on the following criteria:

- the type of asset provided as collateral
- the maturity of the asset provided as collateral (if relevant)
- the credit rating of the issuer of the asset provided as collateral (if relevant).

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see section 7 on "Securities financing transactions"), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund's behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents and derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from that Benchmark Index.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

The default of a counterparty to an efficient portfolio management technique (hereafter "EPMT") used by the Sub-fund could expose it to the risk that the value of the collateral it has received may be less than the value of the assets it has transferred to the counterparty to the EPMT transaction. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Unit-holders should note (i) that EPMT transactions may be entered into with Société Générale (which is an entity of the Management Company's parent group) and/or (ii) that the Sub-fund may appoint Société Générale as its agent for EPMT transactions.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Model risk

The equities that make up the Benchmark Index are selected at each revision date using a proprietary selection strategy that is based on three criteria: quality, volatility and dividend yield. The Benchmark Index and its methodology are based on the observation of historical data that may not be representative over the period during which the Benchmark Index will be exposed to the selected equities.

- Risk of over-concentration relative to the Parent Index

The Benchmark Index is subject to a dynamic allocation mechanism that may reduce its exposure to a sub-set of securities in the Parent Index. This may increase the Benchmark Index's concentration above that of the Parent Index. The Benchmark Index may therefore underperform and/or be more volatile than the Parent Index.

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of the Sub-fund's shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected. If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to this Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted.
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency hedging risk of the Daily Hedged to EUR - Acc and Daily Hedged to EUR - Dist share classes

To hedge the EUR/USD currency risk on the Daily Hedged to EUR - Acc and Daily Hedged to EUR - Dist share classes, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the currency of the Benchmark Index and the currency of the share class. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to EUR - Acc and Daily Hedged to EUR - Dist share classes may be subject to adverse market movements and costs that reduce their net asset value.

- Currency hedging risk of the Daily Hedged to GBP - Acc and Daily Hedged to GBP - Dist share classes

To hedge the GBP/USD currency risk on the Daily Hedged to GBP - Acc and Daily Hedged to GBP - Dist shares, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the currency of the Benchmark Index and the currency of the share class. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to GBP - Acc and Daily Hedged to GBP - Dist share classes may be subject to adverse market movements and costs that reduce their net asset value.

- Currency hedging risk of the Daily Hedged to CHF - Acc and Daily Hedged to CHF - Dist share classes

To hedge the CHF/USD currency risk on the Daily Hedged to CHF - Acc and Daily Hedged to CHF - Dist shares, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the currency of the Benchmark Index and the currency of the share class. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to CHF - Acc and Daily Hedged to CHF - Dist share classes may be subject to adverse market movements and costs that reduce their net asset value.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in the Sub-fund are seeking exposure to the equities of large-capitalisation companies based in the United States.

The amount that should reasonably be invested in this Sub-fund depends on the personal situation of each investor. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CURRENCIES

| Currencies | Acc share class | Dist share class | Daily Hedged to GBP - Acc share class | Daily Hedged to GBP - Dist share class | Daily Hedged to EUR - Acc share class | Daily Hedged to EUR - Dist share class | Daily Hedged to CHF - Acc share class | Daily Hedged to CHF - Dist share class |
|------------|-----------------|------------------|---------------------------------------|--|---------------------------------------|--|---------------------------------------|--|
| | USD | USD | GBP | GBP | EUR | EUR | CHF | CHF |

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc, Daily Hedged to GBP - Acc, Daily Hedged to EUR - Acc and Daily Hedged to CHF - Acc share classes: all distributable amounts are accumulated.

Dist, Daily Hedged to GBP - Dist, Daily Hedged to EUR - Dist and Daily Hedged to CHF - Dist share classes: The Board of Directors may distribute all or part of income each year in one or more distributions and/or accumulate this income. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

The Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions are made in whole numbers of shares.

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and represent at least 100,000 euros or the equivalent of 100,000 euros in en GBP, USD or CHF.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "Subscription and Redemption Fees (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- There is a link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.03% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B SPECIFIC PROVISIONS

- a) **If shares are listed on Euronext Paris, as specified in the "Key Information" part of the "General Characteristics" section of the Fund's prospectus, investors should note the following rules**

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 "Universal Trading Platform Manual"
- Appendix to Instruction N4-01 "Appendix to the Euronext Market Trading Manual"
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's Indicative Net Asset Value by more than 3%.

Euronext Paris may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris cannot obtain the Benchmark Index's level
- Euronext Paris cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris market.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, depending on the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:**

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|---|---|
| Subscription fee not kept by the Sub-fund | NAV per share x the number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x the number of shares | 0.04% ⁽¹⁾ |
| Redemption fee not kept by the Sub-fund | NAV per share x the number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x the number of shares | 0.04% ⁽¹⁾ |

(1) The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage fees, stock market taxes etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges charged to the Sub-fund
- direct and indirect costs/charges of securities financing transactions.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum rate for the Acc and Dist share classes | Maximum rate for the: |
|--|--|--|--|
| | | | Daily Hedged to GBP - Acc and Daily Hedged to GBP - Dist Daily Hedged to EUR - Acc and Daily Hedged to EUR - Dist Daily Hedged to CHF - Acc and Daily Hedged to CHF - Dist |
| Asset management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.30% | 0.40% |
| Maximum indirect expenses (management expenses and fees) | Net asset value | | N/A |
| Incentive fee | Net asset value | | N/A |
| Account activity charge | Charged on each transaction | | N/A |
| Direct and indirect costs/charges of securities financing transactions | The amount of income from these transactions | 20% for the Management Company 15% for the Agent. | |

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 85% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France. The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

LYXOR FTSE US Quality Low Vol Dividend (DR) UCITS ETF is in no way sponsored, endorsed, sold or promoted by FTSE International Limited (hereinafter "FTSE"), or any company of the London Stock Exchange Group ("LSEG"), (hereinafter collectively referred to as the "Licensors").

The Licensors assume no obligation and provide no warranty, expressed or implied in respect of (i) the results that may be obtained from using the FTSE USA Qual/Vol/Yield Factor 5% Capped Index (the "Benchmark Index"), (ii) the level this Index may reach at any given time or date, and/or relative to any other measure, (iii) the Benchmark Index's appropriateness for the objectives for which it is used in respect of the Lyxor FTSE US Quality Low Vol Dividend (DR) UCITS ETF fund. The Licensors have not provided and will not provide financial or investment advice or recommendations concerning the Benchmark Index to LIAM or to its clients. The Benchmark Index is calculated by or on behalf of FTSE and LSEG. The Licensors disclaim all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and shall not be obliged to inform anyone of such an error.

"FTSE®" is a registered trademark of LSEG and is used under license by FTSE.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent to the Depository by the investors' financial intermediaries (members of Euroclear France SA).

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request submitted to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) contains additional information on the relevant regulatory documents and investor protection measures.
This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities. Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. The management company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. The management company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.

- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been adjusted, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in U.S. dollars(USD).

SUB-FUND NO. 15: LYXOR DJ GLOBAL TITANS 50 UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Dist share class: FR0007075494

CLASSIFICATION

Global equities.

The Lyxor DJ Global Titans 50 UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to one or more foreign equity markets, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 08/02/2018 and will be established on 23/03/2018.

INVESTMENT OBJECTIVE

The investment objective of the Lyxor DJ Global Titans 50 UCITS ETF Sub-fund is to replicate the performance, whether positive or negative, of the Dow Jones Global Titans 50 Total Return index (the "Benchmark Index") denominated in euros, while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

The Benchmark Index is the Dow Jones Global Titans 50 Total Return index denominated in euros.

The Benchmark Index is a "Total Return" index, i.e. the dividends from the Benchmark Index constituents are reinvested.

The Benchmark Index is a capitalisation-weighted index of global multi-national companies that replicates the performance of the world's 50 largest companies selected from 18 sectors. Nine countries are represented in the index.

The stocks are selected by Dow Jones on the basis of the following four criteria:

- relatively low risk and share price volatility
- global leadership in their sector
- earnings stability
- broad global diversification.

The Benchmark Index is published by Dow Jones from Monday to Friday and was the first global index on which futures were traded.

The performance tracked is that of the closing prices of the equities that make up the Benchmark Index.

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 <http://www.djindices.com/titans/>.

Benchmark Index publication

The Benchmark Index's closing price is available on the Internet at <http://www.djindices.com/titans/>.

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, DJI Opco, LLC, the administrator of the Dow Jones Global Titans 50 Total Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index components are revised quarterly by DJI Opco, LLC.

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

The exact composition of the Benchmark Index and Dow Jones rules for index rebalancing are available on the internet at <http://www.djindices.com/titans/>.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in which the Sub-fund may invest include those that make up the Benchmark Index, and also other international equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure

that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly

monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the delegated asset manager. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Benchmark Index currency risk

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency that is different from that of the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Exchange rate fluctuations can therefore have a negative impact on the Benchmark Index tracked by the Sub-fund.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this sub-fund are seeking exposure to global equity markets.

The amount that you may reasonably invest in this sub-fund depends on your personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share classes: The Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. Net realised capital gains will be reinvested.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Dist class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor DJ Global Titans 50 UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| Currency | Dist share class |
|----------|------------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for units in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time) every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value of the following Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and represent at least the USD equivalent of 100,000 EUR for the Dist share class.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 5.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange. In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris will calculate and publish for each Trading Day (as defined below), the Sub-fund's indicative net asset value (hereinafter the "iNAV") during trading hours). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

As the Sub-fund's delegated asset manager, Lyxor International Asset Management will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

Euronext Paris SA will use these data in its calculations to establish, each subsequent Trading Day, the Sub-fund's iNAV, which is updated in real time.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy – 92800 Puteaux – France

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The LYXOR DJ GLOBAL TITANS 50 UCITS ETF sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Dow Jones. Dow Jones assumes no obligation and provides no warranty, either express or implied, in respect of the results that may be obtained from using the Dow Jones Global Titans Net Total Return index (hereinafter "the Index" and/or the level of said Index at any given time or day, or of any other type. The Index is calculated by and in the name of Dow Jones. Dow Jones will not be held responsible or liable (whether due to negligence or for any other reason) for any error that affects the Index with regard to any party whomsoever and will not be obliged to inform any party whomsoever of any error that may affect the Index.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT

17, cours Valmy - 92987 Paris La Défense CEDEX – France.

e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the “Publication Date” section

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection. This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 16: LYXOR SMI DAILY (-2X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010869438

CLASSIFICATION

The Lyxor SMI Daily (-2x) Inverse UCITS ETF sub-fund (the "Sub-fund") is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to give inverse exposure with daily 2x leverage (positive or negative) to the Swiss equity market, by replicating the movement of the SMI Daily Short Leverage index (the "Benchmark Index"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The SMI Daily Short Leverage Benchmark Index replicates the inverse of the performance of the SMI® Swiss Market Index Total Return (the "Parent Index") with a 2x daily leverage effect, which means that if underlying index increases 2% on a given day, the leveraged index will decrease 4%, less the borrowing costs for that day, and vice-versa.

The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the SMI Daily Short Leverage strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying equities) denominated in Swiss francs (CHF).

The Benchmark Index is index defined and calculated by SIX Swiss Exchange SA.

The Benchmark Index provides daily inverse exposure to increases and decreases in the Parent Index with a daily double leverage effect. Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase by twice as much that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease by twice as much that day and investors will not benefit from the increase in the Parent Index.

The Parent Index is capitalisation-weighted with free-float adjustment. It covers 20 of the largest and most liquid shares which represent about 85% of the total capitalisation of the Swiss equity market. The index is calculated in real time in Swiss francs and is available at www.six-swiss-exchange.com.

The performance of the Benchmark Index is equal to double the inverse daily performance of the Parent Index, together with total interest (SAR Swiss Average Rate On® paid daily on 3x the closing value of Parent Index. It is therefore constitutes a short position strategy against the Parent Index, with 2x leverage and daily rebalancing. Additional rebalancing will be performed during the session if the Parent Index rises by more than 25% during a trading day in relation to the previous closing price of the preceding trading day.

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 http://www.six-swiss-exchange.com/indices/data_centre/strategy_indices/leveraged_indices_en.html and http://www.six-swiss-exchange.com/indices/data_centre/shares/smi_family_fr.html

The monitored performance is based on the closing prices of the index in Swiss francs.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The closing price of the Benchmark Index is available on the Internet at <http://www.six-swiss-exchange.com/indices>

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, SIX Swiss Exchange AG the administrator of the SMI Daily Short Leverage benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The composition of the SMI Daily Short Leverage index is dependent on the revision of the Benchmark Index.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.

The Parent Index is revised daily.

The exact composition of the Parent Index and SIX Swiss Exchange's rules for revising its composition, and consequently that of the Benchmark Index are available on the Internet at http://www.six-swiss-exchange.com/indices/data_centre/shares/smi_family_fr.html and http://www.six-swiss-exchange.com/indices/data_centre/strategy_indices/leveraged_indices_en.html.

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may include the securities that make up the Parent Index, as well as other international equities across all economic sectors, listed on any exchange, including small-cap exchanges

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date, using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including "small-cap" exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

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.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;

such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Most notably, any increase in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily readjustment in the underlying 'double short' index formula implies that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index exposure for holding periods greater than one business day. For example, if the Parent Index increases 10% on a given business day and then decreases of 5% the following business day, the Sub-fund's net asset value will decline by 12% (before the deduction of relevant fees) over these two days, while the Parent Index will have risen 4.5% over the same period. If the Parent Index falls 5% per day over two consecutive business days, it will have decreased a total of 9.75%, whereas the Sub-fund will have gained a total of 21% over this period (before the deduction of relevant fees).

Negative scenario

1

The Parent Index increases and the leverage effect is negative is greater than 2

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 10% | 110 | -20% | 80 | x-2 |
| Day 2 | -5% | 104.5 | 10% | 88 | x-2 |
| Total return | 4.50% | | -12.00% | | x-2,67 |

Negative scenario

2

The Parent Index decreases and the leverage effect is negative is less than 2

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | -10% | 90 | 20% | 120 | x-2 |
| Day 2 | 6% | 95.4 | -12% | 105.6 | x-2 |
| Total return | -4.60% | | 5.60% | | x-1,22 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario

The leverage effect is positive over the period

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 5% | 105 | -10% | 90 | x-2 |
| Day 2 | -5% | 99.75 | 10% | 99 | x-2 |
| Total return | -0.25% | | -1.00% | | x4 |

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors.

Investors in this Sub-fund seek exposure to the Swiss equity market, with a leverage effect of + or - 2.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks. Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon. All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor SMI Daily (-2x) Inverse UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| | |
|----------|-----------------|
| | Acc share class |
| Currency | CHF |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, at 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day", and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received before 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for an amount that is at least the CHF equivalent of 100,000 EUR.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in CHF.

The net asset value of the unit classes that are denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated .

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 5.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section), the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris will calculate and publish for each Trading Day (as defined below), the Sub-fund's indicative net asset value (hereinafter the "iNAV") during trading hours). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

As the Sub-fund's delegated asset manager, Lyxor International Asset Management will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

Euronext Paris SA will use these data in its calculations to establish, each subsequent Trading Day, the Sub-fund's iNAV, which is updated in real time.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of the CHF equivalent of EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of the CHF equivalent of EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including *inter alia* the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or in this S, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy – 92800 Puteaux – France

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The LYXOR ETF DAILY DOUBLE SHORT SMI fund is in no way sponsored, approved, sold or recommended by SIX Swiss Exchange SA, which does not guarantee (either expressly or tacitly) the results of using the SMI® index (hereinafter the "Index") or the level reached by the Index at any time or date. SIX Swiss Exchange SA accepts no responsibility for errors that may nevertheless, through negligence or otherwise, appear in the index. In addition, SIX Swiss Exchange SA has no obligation to draw attention to such errors.

SIX®, SIX Swiss Exchange®, SPI®, Swiss Performance Index (SPI)®, SPI EXTRA®, SPI formerly SLI®, Swiss Market Index (SMI)®, SMIM®, SMI MID (SMIM)®, SMI Expanded®, SLI®, SLI Swiss Leader Index®, SXI®, SXI LIFE SCIENCES®, SXI Bio+Medtech®, SBI®, SBI Swiss Bond Index®, VSMI®, SWX Immobilienfonds Index® and SWX Quotematch® are trademarks registered in Switzerland and/or overseas for SIX Group SA respectively SIX Swiss Exchange SA. Their use requires a licence.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
17, cours Valmy - 92987 Paris La Défense CEDEX – France.
e-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection. This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code. Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.

- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in CHF.

SUB-FUND NO. 17: LYXOR DAILY SHORTDAX X2 UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010869495
I-USD share class: FR0010883157

The Lyxor Daily Shortdax x2 UCITS ETF sub-fund (the "Sub-fund") is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to give inverse exposure (positive or negative), with double daily leverage, to the German equity market, by replicating the performance of the ShortDAX x2 benchmark index (the "Benchmark Index"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index. The Benchmark Index replicates the inverse performance of the DAX® index (the "Parent Index") with a daily double inverse leverage effect. This means that if underlying index increases 2% on a given day, the leveraged index will decrease 4%, less the borrowing costs for that day, and vice-versa. The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the ShortDAX x2 strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying equities) denominated in euros (EUR). The Benchmark Index is constructed and calculated by Deutsche Börse AG.

The Benchmark Index provides daily inverse exposure to increases and decreases in the Parent Index with a daily double leverage effect. Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase by twice as much that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease by twice as much that day and investors will not benefit from the increase in the Parent Index

The Parent Index is composed of the 30 largest German stocks. These companies are the most actively traded stocks on the Frankfurt stock exchange. The Frankfurt stock exchange accounts for 85% of German stock trading volume and 35% of European trading volume. The index methodology is available at <http://www.dax-indices.com>.

The performance of the Benchmark Index is equal to double the inverse daily performance of the Parent Index, together with total interest (EONIA) paid daily on 3x the Parent Index's closing value.

It is therefore constitutes a short position strategy against the Parent Index, with 2x leverage and daily rebalancing. Further rebalancing during a trading session is possible if the Benchmark Index loses more than 50% during a Trading Day.

The Parent Index is free-float market capitalisation-weighted and measures the performance of the 30 largest stocks on the Frankfurt stock exchange.

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 www.russell.com. <https://www.dax-indices.com/indices>

The performance tracked is that of the index's closing price in euros.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed. The closing price of the Benchmark Index is available on the internet at <http://www.dax-indices.com>

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Deutsche Börse AG, the administrator of the ShortDAX x2 benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.

The Parent Index is revised daily.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Parent Index and Deutsche Börse AG's rules for revising its composition, and consequently that of the Benchmark Index are available on the Internet at <https://www.dax-indices.com/indices>.

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in which the Sub-fund may invest include those that make up the Benchmark Index, and also other international equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or the value of any other financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in section 1 above).

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses

that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;

such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Most notably, any increase in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily readjustment in the underlying 'double short' index formula implies that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index exposure for holding periods longer than one business day.

For example, if the Parent Index increases 10% on a given business day and then decreases of 5% the following business day, the Sub-fund's net asset value will decline by 12% (before the deduction of relevant fees) over these two days, while the Parent Index will have risen 4.5% over the same period. If the Parent Index falls 5% per day over two consecutive business days, it will have decreased a total of 9.75%, whereas the Sub-fund will have gained a total of 21% over this period (before the deduction of relevant fees).

Negative scenario 1

The Parent Index increases and the leverage effect is negative and greater than 1

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 10% | 110 | -10% | 90 | x-1 |
| Day 2 | -8% | 101.2 | 8% | 97.2 | x-1 |
| Total return | 1.20% | | -2.80% | | x-2.33 |

Negative scenario 2

The Parent Index decreases and the leverage effect is negative and less than 1

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | -10% | 90 | 10% | 110 | x-1 |
| Day 2 | 6% | 95.4 | -6% | 103.4 | x-1 |
| Total return | -4.60% | | 3.40% | | x-0.74 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario

The leverage effect is positive over the period

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 5% | 105 | -5% | 95 | x-1 |
| Day 2 | -5% | 99.75 | 5% | 99.75 | x-1 |
| Total return | -0.25% | | -0.25% | | x1 |

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund will be inversely exposed (both positively and negatively) to the German equity market with 2x leverage.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

I-USD share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

The Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Acc and I-USD class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Daily Shortdax x2 UCITS ETF is merged.

Only a whole number of shares may be subscribed for.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| Currency | Acc share class | I-USD share class |
|----------|-----------------|-------------------|
| | EUR | USD |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, at 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day" and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received at 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions/redemptions in cash:

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules**

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section), the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and ask price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher of EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher of EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives. They are therefore charged to the Sub-fund
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy - 92987 Paris La Défense CEDEX - France

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

This financial instrument is not sponsored, recommended, distributed or otherwise supported by Deutsche Börse AG (the "Licensor"). The Licensor grants no guarantee and issues no statement, whether explicit or implicit, regarding the results arising from use of the index and/or the index's registered trademark, or the value of the index at any given time or date, or regarding any other matter. The Index is calculated and published by the Licensor. However, within the limits of the law, the Licensor will not be liable to all and any third parties in the event of potential errors in the Index. Moreover, the Licensor is under no obligation to report potential errors in the Index to any third parties, including investors. Neither the publication of the Index by the Licensor, nor the license granted for the Index and its registered trademark for use with the financial instrument or other securities or financial products arising from the index amount to a recommendation by the Licensor for capital investment, nor do they carry, in any way, a guarantee or opinion from the Licensor concerning the appeal of an investment in this product. In its capacity as sole holder of all the rights relating to the Index and the Index's registered trademark, the Licensor has only granted to the financial instrument's issuer the right to use the Index and the Index's registered trademark, together with all and any reference to the Index and its registered trademark in relation to the financial instrument. Investors are encouraged to form their own opinions as to the advisability of the investment they plan to make and to consult their usual advisors before purchasing shares.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection. This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds. Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.

Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.

The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 18: LYXOR IBEX 35 DOBLE APALANCADO DIARIO UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0011042753

CLASSIFICATION

Eurozone country equities.

The Lyxor Ibex 35 Doble Apalancado Diario UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to the equity markets of one or more eurozone countries, including the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to gain exposure with 2x daily leverage (positive or negative) to the Spanish equity market, by replicating the performance of the IBEX 35® DobleApalancadoNeto strategy index (see "Benchmark Index"), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.10%.

BENCHMARK INDEX

The Sub-fund's Benchmark Index is the IBEX 35® DobleApalancadoNeto strategy index including any dividends the Sub-fund may receive from holding stocks in the Benchmark Index.

The Benchmark Index is an equity strategy index that is calculated, maintained and published by Sociedad de Bolsas. The Benchmark Index provides exposure with daily 2x leverage to increases and decreases in the IBEX 35® index (hereinafter the "Parent Index"). This means that if the Parent Index rises on a day that the net asset value is calculated, the Sub-fund's net asset value will increase by twice the amount of the increase on that day, and conversely, if the Parent Index decreases on a day that the net asset value is calculated, the Sub-fund net asset value will decline by twice the amount of the decrease on that day.

The Parent Index is the main benchmark index of the Madrid stock exchange and is composed of the 35 most actively traded stocks in the Spanish market. The Parent Index is weighted by float-adjusted market capitalisation.

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

A full description and the complete methodology used to construct the Benchmark Index and the respective weightings of the Benchmark Index components are available on the Internet at <http://www.bolsamadrid.es/ing/asp/Indices/Resumen.aspx>. The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at <http://www.bolsamadrid.es/ing/asp/Indices/Resumen.aspx>

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Sociedad de Bolsas, the administrator of the Ibex 35® Doble Apalancado Neto benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.

The Parent Index is revised every six months.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Benchmark Index and the rules for its rebalancing are available on the Internet at <http://www.bolsamadrid.es/ing/asp/Indices/Resumen.aspx>

The frequency of the aforementioned rebalancing does not affect the cost of implementing the Investment Strategy

The advantage of the "Leverage" strategy

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gain on a given day will be twice as much as with a "single" investment in the Parent Index. However, in a bear market the multiplier effect of the leverage also doubles losses on a daily basis. The daily multiplier effect also affects the risks of the overall investment strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

The Securities in the Sub-fund's portfolio may include those that make up the Parent Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The Sub-fund's equity assets will be chosen so as to limit the cost of replicating the Benchmark Index

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

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.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10 % of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (i) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (ii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iii) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (iv) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (v) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

The Sub-fund has a high equity risk.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Daily leverage reset risk

Investors are exposed to twice the daily change in the price or level of the Parent Index. They should note in particular that a decline in the underlying market will be amplified and will result a larger decrease in the Sub-fund's net asset value. Since the leverage in the Benchmark Index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day.

For example, if the Parent Index gains 10% on a given trading day and then declines 5% the next trading day, the Sub-fund will have gained of 8% (before fees) over these two days, while the Parent Index will have gained a total of 4.5%.

If the Parent Index loses 5% a day over two consecutive trading days, the Sub-fund will have lost 19% (before fees) over this period while the Parent Index will have lost 9.75%.

Negative scenario 1 The leverage effect is greater than 2 and the Parent Index decreases

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 10% | 110 | 20% | 120 | x2 |
| Day 2 | -11% | 97.9 | -22% | 93.6 | x2 |
| Total return | -2.10% | | -6.40% | | x3.05 |

Negative scenario 2 The leverage effect is less than 2 and the Parent Index increases

| | Parent Index | | Strategy Index | | Leverage effect |
|-------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | -5% | 95 | -10% | 90 | x2 |
| Day 2 | 6% | 100.7 | 12% | 100.8 | x2 |

| | | | |
|--------------|-------|-------|-------|
| Total return | 0.70% | 0.80% | x1.14 |
|--------------|-------|-------|-------|

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may even fall although the Parent Index increases over this period.

Inverse leverage scenario

The leverage effect is negative over the period

| | Parent Index | | Strategy Index | | Leverage effect |
|--------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | Day 1 | 20% | 100 | 40% | |
| Day 2 | -16% | 120 | -32% | 140 | x2 |
| | | 100.8 | | 95.2 | |
| Total return | 0.80% | | -4.80% | | x-6 |

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund may enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. In order to achieve its investment objective, the Sub-fund may enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) the index provider makes a material change in the formula for or the method of calculating the Benchmark Index (other than a minor modification such as an adjustment to the Benchmark Index's underlying assets or the respective weightings among its components) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund are seeking exposure with 2x leverage to the performance of the Spanish equities market, whether positive or negative.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

N/A

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Ibx 35 Doble Apalancado Diario UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| Currency | Acc share class |
|----------|-----------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a “Primary Market Day”, and will be executed at the net asset value on that Primary Market Day (hereinafter the “reference NAV”). Subscription/redemption orders submitted after

5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and ask price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish the Sub-fund's indicative net asset value (hereinafter the "iNAV") during trading hours every Trading Day (as defined below) (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A ("Trading Day") is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the subject of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Sociedad de Bolsa provides no warranty of any sort, either express or implied, regarding the results that may be obtained from using the Sociedad de Bolsa index. Sociedad de Bolsa disclaims any liability of any kind (for negligence or for any other reason) for any error that may affect the index, irrespective of the parties involved, and shall have no obligation to inform any party of such an error.

The LYXOR IBEX 35 DOBLE APALANCADO DIARIO UCITS ETF fund is in no way sponsored, promoted nor marketed by Sociedad de Bolsa.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17, cours Valmy - 92987 Paris La Défense Cedex - FRANCE.
e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxor.fr.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

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

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 19: LYXOR IBEX 35 DOBLE INVERSO DIARIO UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0011036268

The Lyxor Ibex 35 Doble Inverso Diario UCITS ETF sub-fund (the "Sub-fund") is a UCITS ETF strategy index tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to give inverse exposure with daily 2x leverage (positive or negative) to the Spanish equity market, by replicating the performance of the IBEX 35[®] DOBLE INVERSO strategy index (the "Benchmark Index"), denominated in euros (EUR), whether positive or negative, while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index

The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the IBEX 35[®] DOBLE INVERSO TOTAL RETURN strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying equities.

The Benchmark Index is an equity strategy index that is calculated, maintained and published by Sociedad de Bolsas. The Benchmark Index provides inverse exposure with daily 2x leverage to increases and decreases in the IBEX 35[®] index (the "Parent Index"). Accordingly, if the Parent Index rises by a given amount on a given trading day, the Sub-fund's net asset value will decrease by twice that amount that day, and shareholders will not profit from the increase in the Parent Index.

The Parent Index is the main benchmark index of the Madrid stock exchange and is composed of the 35 most actively traded stocks in the Spanish market.

The Parent Index is weighted by float-adjusted market capitalisation.

A full description of the Benchmark Index and its construction methodology, and information on the composition and respective weightings of the Benchmark Index components, are available on the Internet at <http://www.bolsamadrid.es/ing/asp/Indices/Resumen.aspx>.

The performance tracked is that of the Benchmark Index's closing price in euros

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The closing price of the Benchmark Index is available on the Internet at <http://www.bolsamadrid.es/ing/asp/Indices/Resumen.aspx>

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Sociedad de Bolsas, the administrator of the Ibex 35[®] Doble Inverso benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.

The Parent Index is revised every six months.

The double inverse leverage factor used in calculating the Benchmark Index is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

The exact composition of the Benchmark Index and the rules for its revision are available on the Internet at <http://www.bolsamadrid.es/ing/asp/Indices/Resumen.aspx>

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Parent Index, as well as other international equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;

such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (i) invested in high-quality government bonds
- (ii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iii) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Therefore, any appreciation of the underlying market will be inversely amplified and will result a sharper depreciation of the Sub-fund's net asset value. The daily leverage reset in the underlying "double short" strategy index formula means that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index for holding periods greater than one business day.

For example, if the Parent Index gains 10% on a given business day and then loses 5% the following business day, the Sub-fund will decline a total of 12% (before deduction of relevant fees) over the two business days, while the Parent Index will have gained 4.5% over this period.

If the Parent Index decreases 5% per day over two consecutive business days, the Sub-fund will gain a total of 21% (before deduction of relevant fees), while the Parent Index will have lost 9.75% over this period.

Negative scenario 1

The Parent Index increases and the leverage effect is negative is greater than 2

| | Parent Index | | Benchmark Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | | 100 | | 100 | |
| | 10% | 110 | -20% | 80 | x-2 |
| Day 2 | | 104.5 | | 88 | |
| | -5% | | 10% | | x-2 |
| Total return | 4.50% | | -12.00% | | x-2,67 |

Negative scenario 2

The Parent Index decreases and the leverage effect is negative is less than 2

| | Parent Index | | Benchmark Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | | 100 | | 100 | |
| | -10% | 90 | 20% | 120 | x-2 |
| Day 2 | | 95.4 | | 105.6 | |
| | 6% | | -12% | | x-2 |
| Total return | -4.60% | | 5.60% | | x-1,22 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario

The leverage effect is positive over the period

| | Parent Index | | Benchmark Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | | 100 | | 100 | |
| | 5% | 105 | -10% | 90 | x-2 |
| Day 2 | | 99.75 | | 99 | |
| | -5% | | 10% | | x-2 |
| Total return | -0.25% | | -1.00% | | x4 |

- Risk that the Sub-fund does not fully achieve its investment objective:

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the formula for or the method of calculating the Benchmark Index (other than a minor modification such as an adjustment to the Benchmark Index's underlying assets or the respective weightings among its components) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund are seeking inverse exposure (positive or negative), with x2 leverage, to the Spanish equity market.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Ibox 35 Doble Inverso Diario UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| | |
|----------|-----------------|
| Currency | Acc share class |
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day" and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and represent a minimum amount of at least 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.

The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components

Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"

- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual

- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and ask price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A ("Trading Day") is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretif.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives. They are charged to the Sub-fund.
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are actually charged to the Sub-fund see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the subject to the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Sociedad de Bolsa provides no warranty of any sort, either express or implied, regarding the results that may be obtained from using the Sociedad de Bolsa index. Sociedad de Bolsa disclaims any liability of any kind (for negligence or for any other reason) for any error that may affect the index, irrespective of the parties involved, and shall have no obligation to inform any party of such an error. LYXOR IBEX 35 DOBLE INVERSO DIARIO UCITS ETF is in no way sponsored, promoted or sold by Sociedad de Bolsa.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection. This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in EUR

SUB-FUND NO. 20: LYXOR NASDAQ-100 DAILY (2X) LEVERAGED UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE:

Acc share class: FR0010342592

CLASSIFICATION

Global equities.

The Lyxor Nasdaq-100 Daily (2x) Leveraged UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to one or more foreign equity markets, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide exposure to the performance of the US equity market, whether positive or negative, by replicating the movement of the NASDAQ-100 Leveraged Notional Net Return strategy index (the "Benchmark Index") denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the NASDAQ-100 Leveraged Notional Net Return strategy index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index was created by NASDAQ OMX Group, Inc. and is calculated and maintained by S&P.

The Benchmark Index is a strategy index that tracks the performance of the NASDAQ-100 (NDX) index (the "Parent index") with a daily 2x leverage effect, which means that if the Parent Index rises or falls by 2% on a given trading day, the Benchmark Index will respectively rise or fall by 4% on that same day, less the cost of borrowing securities. This double leverage effect is achieved by borrowing securities to double the investment in the stocks that make up the Parent Index. The cost of this borrowing is included in the calculation of the Benchmark Index.

The Benchmark Index is a subset of the Parent Index. The Parent Index is a U.S. technology index that provides a benchmark for the U.S. technology sector.

It is composed of 100 securities and includes the largest companies by market capitalisation in the following sectors: Internet software and services, IT services and consultancy, software, electronic hardware and instruments, office electronics and semi-conductors.

The NASDAQ-100 Leveraged Notional Net Return Benchmark Index was created on 18 November 2009.

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://indices.nasdaqomx.com/>

The performance tracked is that of the Benchmark Index's closing price in USD.

BENCHMARK INDEX PUBLICATION

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The Benchmark Index's closing price is available on the Internet at <https://indices.nasdaqomx.com/>

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, NASDAQ OMX Group, Inc., the administrator of the NASDAQ-100 Leveraged Notional Net Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

BENCHMARK INDEX COMPOSITION AND REVISION

The composition of the Benchmark Index is revised in conjunction with the revision of the Parent Index.

The Parent Index is revised quarterly.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Parent Index and NASDAQ OMX Group Inc. rules for revising this index, and consequently the Benchmark Index, are available on the Internet at <https://indices.nasdaqomx.com/>

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

THE ADVANTAGE OF THE "LEVERAGE" STRATEGY

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gain on a given day will be twice as much as with a "single" investment in the Parent Index. However, in a bear market the multiplier effect of the leverage also doubles losses on a daily basis. The daily multiplier effect also affects the risks of the overall investment strategy.

INVESTMENT STRATEGY:

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Parent Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a member state of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

To optimise the Sub-fund's management and achieve its investment objective, the manager reserves the right to use other instruments in accordance with the applicable regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;

such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity

- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund’s ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund’s total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) agreement as indicated in EU Regulation NO. 2015/2365. They should note in particular that a decline in the underlying market will be amplified and will result a larger decrease in the Sub-fund’s net asset value. Since the leverage in the Benchmark Index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day.

For example, if the Parent Index gains 10% on a given trading day and then declines 5% the next trading day, the Sub-fund will have gained of 8% (before fees) over these two days, while the Parent Index will have gained a total of 4.5%. If the Parent Index loses 5% a day over two consecutive trading days, the Sub-fund will have decreased a 19% (before fees) over this period while the Parent Index will have lost 9.75%.

| <u>Negative scenario 1</u> | The leverage effect is greater than 2 and the Parent Index decreases | | | | |
|----------------------------|--|-------------|-------------------|-------------|-----------------|
| | Parent Index | | Strategy Index | | |
| | Performance day i | Value day i | Performance day i | Value day i | Leverage effect |
| | | 100 | | 100 | |
| Day 1 | 10% | 110 | 20% | 120 | x2 |
| Day 2 | -11% | 97.9 | -22% | 93.6 | x2 |
| | | | | | |
| Total return | -2.10% | | -6.40% | | x3.05 |

| <u>Negative scenario 2</u> | The leverage effect is less than 2 and the Parent Index increases | | | | |
|----------------------------|---|-------------|-------------------|-------------|-----------------|
| | Parent Index | | Strategy Index | | |
| | Performance day i | Value day i | Performance day i | Value day i | Leverage effect |
| | | 100 | | 100 | |
| Day 1 | -5% | 95 | -10% | 90 | x2 |
| Day 2 | 6% | 100.7 | 12% | 100.8 | x2 |
| | | | | | |
| Total return | 0.70% | | 0.80% | | x1.14 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund’s net asset value may even fall although the Parent Index increases over this period.

| <u>Inverse leverage scenario</u> | The leverage effect is negative over the period | | | | |
|----------------------------------|---|-------------|-------------------|-------------|-----------------|
| | Parent Index | | Strategy Index | | |
| | Performance day i | Value day i | Performance day i | Value day i | Leverage effect |
| | | 100 | | 100 | |
| Day 1 | 20% | 120 | 40% | 140 | x2 |
| Day 2 | -16% | 100.8 | -32% | 95.2 | x2 |
| | | | | | |
| Total return | 0.80% | | -4.80% | | x-6 |

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Index currency risk

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency that is different from that of the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Exchange rate fluctuations can therefore have a negative impact on the benchmark index the Sub-fund tracks.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund are seeking exposure to the performance of the US equity market, whether positive or negative.

The amount that you may reasonably invest in this sub-fund depends on your personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Nasdaq-100 Daily (2x) Leveraged UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| | |
|----------|-----------------|
| Currency | Acc share class |
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions/redemptions in cash:

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed Sub-fund's shares or units differs significantly from their indicative net asset value, or if trading in the Sub-fund's share or units is suspended, investors may be allowed, subject to the conditions set forth below, to redeem their shares on the primary market directly from the listed Sub-fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent, or other service provider.

| Fees paid by investors upon subscription or redemption | <u>BASE</u> | Maximum charge |
|--|------------------------------------|--|
| Subscription fee not kept by the Sub-fund | Net asset value x number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | Net asset value x number of shares | N/A. |
| Redemption fee not kept by the Sub-fund | Net asset value x number of shares | The higher value of either EUR 50,000 per redemption order or 5% of payable to third parties |
| Redemption fee kept by the Sub-fund | Net asset value x number of shares | N/A. |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATING AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are actually charged to the Sub-fund see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 91% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The LYXOR NASDAQ-100 DAILY LEVERAGE UCITS ETF fund (the "Sub-fund") is not sponsored, endorsed, sold or promoted by "The Nasdaq Stock Market", Inc. , which together with its affiliates are hereinafter referred to as the "Companies". The Companies have not verified the legality or relevance of the Product, nor the Accuracy and suitability of the descriptions and representations made in relation to the Product. The Companies do not expressly or implicitly provide any warranties or guarantees to Product unit-holders or to anyone whomsoever regarding the advisability of purchasing securities in general or more specifically of investing in the Product, or regarding the NASDAQ-100 Index's capacity to track the performance of equities markets. The only relationship between the Companies and LYXOR INTERNATIONAL ASSET MANAGEMENT (the "Licensee") is a license agreement to use Nasdaq®, Nasdaq-100® and Nasdaq-100 Index® trademarks and certain other trade names that belong to the Companies, and to use the Nasdaq-100 Index®, which Nasdaq has created, constructed and calculated independently of the Licensee and the Product. Nasdaq is not bound in any way to take the Licensee's needs or those of the Product holders into consideration in determining, constructing or calculating the Nasdaq-100 Index®. The Companies are not responsible for and were not involved in determining the Product issuance schedule, prices or quantities or in selecting the calculation formulas or making the calculations necessary to convert the Product into cash. The Companies are in no way responsible for the administration, sale or trading of the Product.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection. This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.

- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 21: LYXOR PEA PME (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Dist share class: FR0011770775

CLASSIFICATION

Eurozone country equities.

The Lyxor PEA PME (DR) UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to the equity markets of one or more eurozone countries, including the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 08/02/2018 and will be established on 23/03/2018.

INVESTMENT OBJECTIVE

The Sub-fund's objective is to replicate the performance, whether positive or negative, of the CAC PME GR index (the "Benchmark Index"), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index. This index is representative of SME and intermediate size companies listed on the Euronext Paris exchange that are eligible for PEA PME savings plans.

The expected ex-post tracking error under normal market conditions is 0.30%.

BENCHMARK INDEX

The Benchmark Index is the CAC PME GR index.

The Benchmark Index is a proxy for the performance of the highest-rated SME and intermediate size companies listed on the Euronext Paris exchange, which are selected on the basis of their liquidity and "SME" criteria.

The Benchmark Index is composed of 20 to 40 equities that are representative of the highest-rated small-cap, mid-cap and intermediate size companies listed on the Euronext Paris exchange.

It is weighted by modified market capitalisation, with no single component exceeding 7.5% of the index and no economic sector exceeding 25%.

The Benchmark Index is rebalanced quarterly over a five-day period. On each rebalancing date eligible securities will be selected if they meet all of the following criteria:

- a "liquidity factor" that is based on the average daily trading volume over a 3-month period and 1% of the float-adjusted market capitalisation
- "SME criteria", whereby:
- the issuer of the securities must have from 250 to 4,999 employees
- the issuer's annual sales must not exceed 1.5 billion euros and its total assets must not be less than two billion euros.

The Benchmark Index is with gross dividends reinvested, which means that the performance of its components includes the reinvestment of gross dividends and all other distributions.

Benchmark Index publication

The performance tracked is that of the Benchmark Index's closing price.

The complete methodology is available at www.euronext.com

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Euronext Paris S.A., the administrator of the CAC PME GR benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly, over a 5-day period.

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 www.euronext.com

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ a direct replication method, which means that the Sub-fund will mainly invest in the securities that underlie the Benchmark Index.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index

On an ancillary basis, and once again to ensure the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also enter into contracts involving derivative financial instruments ("DFI"). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

The Lyxor website at www.lyxoretf.com features a page dedicated to the Sub-fund, which among other things explains the direct index replication method selected, i.e. either full replication of the Benchmark Index or sampling to limit replication costs. 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.

The Sub-fund will also continuously comply with INSEE's eligibility criteria for inclusion in a PEA-PME savings plan, which require that the issuer's workforce not exceed 5,000 employees, that its annual revenue not exceed 1.5 billion euros and that its total assets not be less than two billion euros.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.
The Sub-fund will mainly be invested in the securities that make up the Benchmark Index.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a member state of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivatives traded on a regulated market or over the counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10 % of its net assets.

7. Securities financing transactions

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French monetary and financial code, including the temporary sale and repurchase of securities.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: 25% of assets under management.
- Expected proportion of assets under management for which securities financing transactions may be entered into: up to 20%.
- .

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a subsidiary of the group of which Société Générale is a subsidiary and is therefore tied to the agent.

The Sub-fund shall be entitled to all income from such temporary disposal of securities, net of any direct and indirect operating costs.

These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. More information on these operating costs and on the entities to which these costs are paid will be provided in the Multi Units France fund's annual report.

All income obtained from the lending of securities (from which must be deducted all direct and indirect operating costs borne by the Agent and if applicable by the management company) shall be paid to the relevant Sub-fund. Since these direct and indirect costs do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing expenses.

The Multi Units France annual report will provide the following information when applicable:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income generated by efficient portfolio management techniques over the relevant period, and any associated direct and indirect operating costs or expenses.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund engages in securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;

such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts under securities financing agreements. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset
- The collateral's maturity (if applicable)
- The credit rating of the collateral issuer (if applicable)

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- i) deposited with an authorised institution
- ii) invested in high-quality government bonds
- iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see section 7 on "Securities financing transactions"), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund's behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Low Benchmark Index Diversification risk

Since the index to which investors are exposed represents a given region, sector and strategy it may provide less diversification of assets in comparison with a broader index that is exposed to two or more regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than exposure to more diversified markets. However, the Sub-fund's underlying securities shall be subject to the diversification rules of UCITS directives.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be extremely difficult or costly. The Sub-fund's asset manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities)

that constitute the Benchmark Index in proportions that differ from those of the Benchmark Index, or even investing in securities that are not Benchmark Index constituents or derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped, and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that (i) EPMT transactions may be entered into with Société Générale (which is a subsidiary of the same group as the Management Company) and/or (ii) that Société Générale may be appointed the Sub-fund's agent for EPMT.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Derivatives risk

On an ancillary basis, the Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

Investment in DFI may be risky. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Risk of investing in small and mid-cap companies

The Sub-fund is exposed to small and medium capitalisation companies and more specifically to the equity securities of small, medium and "intermediate" size 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-capitalisation equities.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund shares are available to all investors.

Investors in this Sub-fund are seeking exposure to equity securities issued by small-cap, mid-cap and intermediate size companies listed on the Euronext Paris exchange.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION

The Board of Directors reserves the right to distribute, in one or more distributions, and/or accumulate all or part of its annual revenue. Net realised capital gains will be reinvested.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Dist class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor PEA PME (DR) UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| Currency | Dist share class |
|----------|------------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day" and will be executed at the net asset value on that Primary Market Day hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros pour la Dist share class.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in EUR.

DATE AND FREQUENCY OF NET ASSET VALUE CALCULATION

The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund is traded is open and that the orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, investors may have to pay more than the current net asset value when they buy units and receive less than the current net asset value when they sell them.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 "Trading Manual on the Universal Trading Platform".
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and ask price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated

- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, on each "Trading Day" (as defined below) and during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

Euronext Paris SA will use these data in its calculations to establish, each subsequent Trading Day, the Sub-fund's iNAV, which is updated in real time.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- c) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | 0.50% |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | 0.03% |

* The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.
- direct and indirect costs/charges of securities financing transactions

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|--|--|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.5% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |
| Direct and indirect costs/charges of securities financing transactions | The amount of income from these transactions | 20% for the Management Company 15% for the Agent. |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Euronext N.V. or its subsidiaries (hereinafter "Euronext") (collectively referred to as the "Licensors"). The Licensors assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the CAC PME index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by or in the name of Euronext. The Licensors disclaim all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and will not be obliged to inform anyone of such an error.

Euronext N.V. or its subsidiaries holds all property rights in relation to the Index. Euronext N.V. or its subsidiaries do not guarantee, approve or are concerned in any manner whatsoever with the issuance and/or offering of the product. Euronext N.V. or its subsidiaries, will not be held liable with regards to third parties for any inaccurate data on which the Index is based, fault, error or omission concerning the calculation or dissemination of the Index, or pertaining to its use within the framework of said issuance and/or offering.

ADDITIONAL INFORMATION

The Sub-fund's shares have been admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17, cours Valmy - 92987 Paris La Défense CEDEX – France.

e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign alternative investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates on the day the Sub-fund's net asset value is calculated

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 22: LYXOR RUSSELL 1000 GROWTH UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0011119171

Dist share class: FR0011119155

CLASSIFICATION

International equities

The Lyxor Russell 1000 Growth UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to one or more foreign equity markets, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the Russell 1000® Growth Net Total Return index (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

Description

The Benchmark Index is the Russell 1000® Growth Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index reflects the performance of the 'growth style' segment of the US large-cap stock market. It is composed of the Russell 1000 companies that have the highest price-to-book ratios and offer the most growth potential.

The Benchmark Index is designed to be a reliable indicator of large-cap 'growth' stocks.

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 www.russell.com

The performance tracked is that of the Benchmark Index's closing price in US Dollars.

Methodology

Russell provides a family of US stock indices weighted by market capitalisation. All of the US indices are sub-sets of the Russell 3000E™ Index, which represents approximately 99% of the US stock market.

The Benchmark Index is a sub-set of the Russell 1000® Index that represents the latter's 'growth' stocks. Each index component is selected on the basis of its price-to-book ratio, I/B/E/S medium-term growth forecast and historic revenue growth.

Each year, Russell Investments observes the following methodology to select the stocks that are to be included in the Russell 1000® Index:

- Classification by market capitalisation as at 31 May
- The largest 3,000 stocks comprise the Russell 3000® Index
- The largest 1,000 stocks comprise the Russell 1000® Index

The following are excluded:

- Stocks that trade at less than one dollar.
- Stocks that trade on the OTC Bulletin Board or on the Pink Quote market
- Closed funds, SCS, royalty trusts, etc.
- Non-US stocks and American Depositary Receipts (ADRs).

Dividends are reinvested at the ex-dividend date.

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at www.russell.com

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Frank Russell Company, the administrator of the Russell 1000® Growth Net Total Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is revised annually.

The exact composition of the Benchmark Index and Russell's rules for index composition revision are available at www.russell.com
The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In compliance with the ratios indicated in the applicable regulations, the Sub-fund may invest in global equities in all economic sectors and listed on all exchanges including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - o their inclusion in a major stock exchange index or in the Benchmark Index
 - o liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - o credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
 - o the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - o geography
 - o sector

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other financial instruments or assets the Sub-fund may hold) for the value of the Benchmark Index.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100% of assets under management.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in a tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to provide the level or the value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund are seeking exposure to the performance of large-cap US stocks with growth potential, which is achieved by replicating the performance of the Benchmark Index

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions.

Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Acc and Disk class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Russell 1000 Growth UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| Currency | Acc share class | Dist share class |
|----------|-----------------|------------------|
| | US dollar | US dollar |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Subscription and redemption orders must be for a whole number of shares having a minimum amount of at least the USD equivalent of 100,000 EUR for the Acc and Dist share classes.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in USD.

The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- Account activity fees charged to the Sub-fund.

For more information on the fees that are actually charged to the Sub-fund, see the Statistics section of the Key Investor Information Document.

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.19% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's indicative net asset value will be calculated and published each Trading Day during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The LYXOR RUSSELL 1000 GROWTH UCITS ETF Sub-fund is in no way sponsored, approved, sold or promoted by the Frank Russell Company ("Russell"), which makes no representations or warranties and provides no express or implied guarantee to LYXOR RUSSELL 1000 GROWTH UCITS ETF fund unit-holders or to the general public in respect of the advisability of trading in the shares or units of mutual funds in general or specifically in the shares of the LYXOR RUSSELL 1000 GROWTH UCITS ETF Sub-fund, or in respect of the ability of the Russell 1000® Growth Net Total Return index to replicate the performance of the market or a segment thereof. The publication of the Russell 1000® Growth Net Total Return Index in no way implies or suggests that it is advisable to invest in any or all of the securities that comprise the Russell 1000® Growth Net Total Return Index. The sole relationship between Lyxor International Asset Management is the agreement of the Frank Russell Company ("Russell") in respect of the use of Russell's registered trademarks and brands and of the Russell 1000® Growth Net Total Return index, which Russell composes and calculates independently of Lyxor International Asset Management and the Sub-fund. Russell will not be held liable, has not studied the Sub-fund nor any literature or other publication and makes no representation nor provides any express or implied warranty as to its accuracy or comprehensiveness. Russell reserves the right, at any time and without prior notification, to revise, modify, close or change in any way the Russell 1000® Growth Net Total Return index. Russell shall accept no liability or obligation in respect of the administration, management or marketing of the LYXOR RUSSELL 1000 GROWTH UCITS ETF Sub-fund

RUSSELL DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPREHENSIVE NATURE OF THE INDICES OR OF ANY DATA INCLUDED. NOR DOES RUSSELL OR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF A RUSSELL INDEX PROVIDE ANY EXPRESS OR IMPLIED WARRANTY IN RESPECT OF THE RESULTS THAT A HOLDER OF A RUSSELL LICENCE MAY OBTAIN. RUSSELL DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OF THE INDICES OR DATA INCLUDED. WITHOUT LIMITING THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL RUSSELL OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOST PROFITS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

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

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities with a residual term to maturity of less than three months on acquisition are valued at their purchase price. Any discount or premium to redemption value is amortised on a straight-line basis over the residual term of the instrument. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "CALCULATION AND ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euro.

SUB-FUND NO. 23: LYXOR RUSSELL 1000 VALUE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0011119205

Dist share class: FR0011119213

CLASSIFICATION

International equities

The Lyxor Russell 1000 Value UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to one or more foreign equity markets, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the Russell 1000® Value Net Total Return index denominated in US dollars (the "**Benchmark Index**"), which represents the performance of the "value" segment of the large-capitalisation US equity market, while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

Description

The Benchmark Index is the Russell 1000® Value Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index reflects the performance of the 'value' or 'value stocks' segment of the US large-cap stock market. It is composed of the Russell 1000 companies that have the lowest price-to-book ratios and the least growth potential.

The Benchmark Index is designed to be a reliable indicator of large-cap 'value' stocks. The Benchmark Index is updated annually to ensure that new value stocks are included and that it continues to represent the 'value' market in a consistent manner.

The performance tracked is that of the Benchmark Index's closing price.

The Benchmark Index is calculated by Russell Investments.

Methodology

Russell provides a family of US stock indices weighted by market capitalisation. All of the US indices are sub-sets of the Russell 3000E™ Index, which represents approximately 99% of the US stock market.

The Benchmark Index is a sub-set of the Russell 1000® Index which represents the latter's 'value' stocks. Each index component is selected on the basis of its price-to-book ratio, I/B/E/S medium-term growth forecast and historic revenue growth.

Each year, Russell Investments observes the following methodology to select the stocks that are to be included in the Benchmark Index:

- Classification by market capitalisation as at 31 May
- The largest 3,000 stocks comprise the Russell 3000® Index
- The largest 1,000 stocks comprise the Russell 1000® Index

The following are excluded:

- Stocks that trade at less than one dollar.
- Stocks that trade on the OTC Bulletin Board or on the Pink Quote market
- Closed funds, SCS, royalty trusts, etc.
- Non-US stocks and American Depositary Receipts (ADRs).

Dividends are reinvested at the ex-dividend date.

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 www.russell.com.

Benchmark index publication

The closing price of the Benchmark Index is available on the Internet at www.russell.com

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Frank Russell Company, the administrator of the Russell 1000® Value Net Total Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is revised annually.

The exact composition of the Benchmark Index and Russell's rules for index composition revision are available at www.russell.com

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

On 14 October 2011, the Benchmark Index was composed of 657 securities.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In compliance with the ratios indicated in the applicable regulations, the Sub-fund may invest in global equities in all economic sectors and listed on all exchanges including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other financial instruments or assets the Sub-fund may hold) for the value of the Benchmark Index.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100% of assets under management.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to provide the level or the value of the Benchmark Index

iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors.

Investors in this Sub-fund are seeking exposure to the performance of large-cap US stocks with growth potential which is achieved by replicating the performance of the Benchmark Index.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. Net realised capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Acc and Dist class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Russell 1000 Value UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| Currency | Acc share class | Dist share class |
|----------|-----------------|------------------|
| | USD | USD |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and represent at least the USD equivalent of 100,000 euros for the Acc and Dist share classes.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation.

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in USD. The Sub-fund's net asset value is denominated in EUR. The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual".
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual).
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretif.com.

b) If the shares are listed on an exchange other than Euronext Paris, as indicated in the “Key Information” section, investors should note the following rules

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the “Key Information” section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- Account activity fees charged to the Sub-fund.

For more information on the fees that are actually charged to the Sub-fund, see the Statistics section of the Key Investor Information Document.

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.19% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The LYXOR RUSSELL 1000 VALUE UCITS ETF Sub-fund is in no way sponsored, approved, sold or promoted by the Frank Russell Company ("Russell"), which makes no representations or warranties and provides no express or implied guarantee to LYXOR RUSSELL 1000 VALUE UCITS ETF Sub-fund unit-holders or to the general public in respect of the advisability of trading in the shares or units of mutual funds in general or specifically in the shares of the LYXOR RUSSELL 1000 VALUE UCITS ETF Sub-fund, or in respect of the ability of the Russell 1000® Value Net Total Return index to replicate the performance of the market or a segment thereof. The publication of the Russell 1000® Value Net Total Return Index in no way implies or suggests that it is advisable to invest in any or all of the securities that comprise the Russell 1000® Value Net Total Return Index. The sole relationship between Lyxor International Asset Management is the agreement of the Frank Russell Company ("Russell") in respect of the use of Russell's registered trademarks and brands and of the Russell 1000® Value Net Total Return index, which Russell composes and calculates independently of Lyxor International Asset Management and the Sub-fund. Russell will not be held liable, has not studied the Sub-fund nor any literature or other publication and makes no representation nor provides any express or implied warranty as to its accuracy or comprehensiveness. Russell reserves the right, at any time and without prior notification, to revise, modify, close or change in any way the Russell 1000® Value Net Total Return index. Russell will accept no liability or obligation in respect of the administration, management or marketing of the LYXOR RUSSELL 1000 VALUE UCITS ETF Sub-fund.

RUSSELL DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPREHENSIVE NATURE OF THE INDICES OR OF ANY DATA INCLUDED. NOR DOES RUSSELL OR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF A RUSSELL INDEX PROVIDE ANY EXPRESS OR IMPLIED WARRANTY IN RESPECT OF THE RESULTS THAT

A HOLDER OF A RUSSELL LICENCE MAY OBTAIN. RUSSELL DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OF THE INDICES OR DATA INCLUDED. WITHOUT LIMITING THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL RUSSELL OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOST PROFITS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure

ASSET VALUATION AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.

- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 24: LYXOR CAC 40 DAILY (2X) LEVERAGED UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010592014

CLASSIFICATION

Eurozone country equities.

The Lyxor CAC 40 Daily (2x) Leveraged UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to one or more eurozone equity markets, which may include the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the CAC 40® LEVERAGE GROSS RETURN strategy index (the "Benchmark Index"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The Benchmark Index reflects the performance of the CAC 40® Gross Return index (the "Parent Index"), with a daily x2 leverage effect. This means that if the underlying index rises/falls by 2% on a given day the leveraged index will rise/fall respectively by 4%, minus borrowing costs, on that day.

The expected ex-post tracking error under normal market conditions is 0.12%.

BENCHMARK INDEX

The Benchmark Index is the CAC 40® LEVERAGE GROSS RETURN strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in EUR.

The Benchmark Index is a strategy index designed and calculated by the international index provider Euronext. It is calculated by Euronext.

The Benchmark Index is a strategy index which reflects the performance of the Parent Index, with a daily x2 leverage effect. This means that if the underlying index rises/falls by 2% on a given day, the leveraged index will rise/fall respectively by 4%, minus borrowing costs, on that day. The 2x leverage is obtained by doubling the investment by borrowing securities in the index's basket of equities. The cost of borrowing is taken into account when calculating the strategy index.

The Parent Index, which is weighted by float-adjusted market capitalisation, measures the performance of 40 of the largest stocks listed on the Euronext Paris exchange. The index constituents are selected for their large market capitalisation, sector representativeness and high trading volume.

A complete description of the Benchmark Index and its construction methodology, and information on the composition and respective weightings of the Benchmark Index components, are available on the Internet at <https://www.euronext.com/en>.

The performance tracked is that of the Benchmark Index's closing price in euros.

Publication de The Benchmark Index

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The closing price of the Benchmark Index is available on the Internet at: <https://www.euronext.com/en>.

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Euronext Paris S.A., the administrator of the CAC 40® LEVERAGE GROSS RETURN benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index's composition is revised in conjunction with the revision of the Parent Index.

The Parent Index is revised quarterly.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Parent Index and Euronext's rules for revising this index and consequently the Benchmark Index, are available on the Internet at <https://www.euronext.com/en>

The advantage of the "Leverage" strategy

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gain on a given day will be twice as much as with a "single" investment in the Parent Index. However, in a bear market the multiplier effect of the leverage also doubles losses on a daily basis. The daily multiplier effect also affects the risks of the overall investment strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index and other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a member state of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date, using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

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.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other asset or financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

All counterparties to a futures or forward contract that are selected by the Sub-fund must be leading financial institutions that are authorised to enter into such contracts for their own account.

The counterparty of the aforementioned derivative financial instruments (the "Counterparty") shall have no discretion over the composition of the Sub-fund's portfolio nor over the assets that underlie the derivative financial instruments.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are exposed to twice the daily change in the price or level of the Parent Index. They should note in particular that a decline in the underlying market will be amplified and will result a larger decrease in the Sub-fund's net asset value. Since the 'leverage' index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day.

For example, if the Parent Index gains 10% on a given trading day and then declines 5% the following trading day 2, the Sub-fund will have gained 8% (before fees) over these two days, while the Parent Index will have risen 4.5% over this period.

If the Parent Index loses 5% a day over two consecutive trading days, the Sub-fund will have lost a total of 19% (before fees), while the Parent Index will have lost 9.75% over this period.

| Negative scenario 1 | The leverage effect is greater than 2 and the Parent Index decreases | | | | |
|---------------------|--|-------------|-------------------|-------------|-----------------|
| | Parent Index | | Strategy Index | | |
| | Performance day i | Value day i | Performance day i | Value day i | Leverage effect |
| | | 100 | | 100 | |
| Day 1 | 10% | 110 | 20% | 120 | x2 |
| Day 2 | -11% | 97.9 | -22% | 93.6 | x2 |
| Total return | -2.10% | | -6.40% | | x3.05 |

| Negative scenario 2 | The leverage effect is less than 2 and the Parent Index increases | | | | |
|---------------------|---|-------------|-------------------|-------------|-----------------|
| | Parent Index | | Strategy Index | | |
| | Performance day i | Value day i | Performance day i | Value day i | Leverage effect |
| | | 100 | | 100 | |
| Day 1 | -5% | 95 | -10% | 90 | x2 |
| Day 2 | 6% | 100.7 | 12% | 100.8 | x2 |
| Total return | 0.70% | | 0.80% | | x1.14 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may even fall although the Parent Index increases over this period.

| Inverse leverage scenario | The leverage effect is negative over the period | | | | |
|---------------------------|---|-------------|-------------------|-------------|-----------------|
| | Parent Index | | Strategy Index | | |
| | Performance day i | Value day i | Performance day i | Value day i | Leverage effect |
| | | 100 | | 100 | |
| Day 1 | 20% | 120 | 40% | 140 | x2 |
| Day 2 | -16% | 100.8 | -32% | 95.2 | x2 |
| Total return | 0.80% | | -4.80% | | x-6 |

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in a tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- (v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;
- (vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund are seeking exposure to the equities of large eurozone companies.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor CAC 40 Daily (2x) Leveraged UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| | |
|----------|-----------------|
| Currency | Acc share class |
|----------|-----------------|

| | |
|--|-----|
| | EUR |
|--|-----|

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem units in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash:

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement:

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. SUBSCRIPTION AND REDEMPTION ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling them.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be allowed, subject to the conditions set forth below, to redeem their shares on the primary market directly from the Sub-fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)

-Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section), the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- The Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- The Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A ("Trading Day") is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- the day's estimated net asset value
- the official net asset value of the previous business day
- the level of the Benchmark index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of this regulated market. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|---|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax ⁽¹⁾ | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

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ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders must be sent to the Depositary by the investor's financial intermediary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17, cours Valmy - 92987 Paris La Défense CEDEX – France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.

- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 25: LYXOR CAC 40 DAILY (-2X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010411884

CLASSIFICATION

The Lyxor CAC 40 Daily (-2x) Inverse UCITS ETF sub-fund (the "Sub-fund") is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to achieve inverse exposure, with daily 2x leverage, to the French equity market by replicating the movement of the CAC 40 Double Short GR strategy index denominated in euros (EUR) (the "Benchmark index"), whether positive or negative, while minimising the tracking error between the Sub-fund's performance and that of the CAC 40 Double Short GR index.

The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the CAC40 Double Short GR strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares).

The CAC 40 Double Short GR index is a strategy index created and maintained by Euronext.

Therefore, if the Parent Index falls on a given trading day, the Sub-fund's net asset value will rise by double that amount on that day, and if the Parent Index rises on a given trading day, the Sub-fund's net asset value will fall by double that amount on that day and shareholders will not be able to profit from the rise in the Parent Index.

The short positions taken on the Benchmark Index entail borrowing costs which are included in the Benchmark Index calculation methodology.

Thus, the Benchmark Index performance calculated on one trading day is equal to 2x the inverse performance of the Parent Index on that day, plus the cumulative interest (at the EONIA rate) paid daily on three times the Benchmark Index's closing value, less the cost of short selling 2x the securities that underlie the Parent Index.

The Parent Index is free-float market capitalisation weighted and measures the performance of the 40 largest stocks on the Euronext Paris exchange.

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 <http://indices.nyx.com/sites/indices.nyx.com>

The performance tracked is that of the closing prices of the equities that make up the Benchmark Index.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The closing price of the Benchmark Index is available on the Internet at <https://www.euronext.com/en>

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Euronext Paris S.A., the administrator of the CAC 40 Double Short GR benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index's composition is revised in conjunction with the revision of the Parent Index.

The Parent Index is revised quarterly.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Parent Index and Euronext's rules for revising this index and consequently the Benchmark Index, are available on the Internet at <https://www.euronext.com/en>

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that make up the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index and other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a member state of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date, using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other asset or financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the aforementioned derivative financial instruments (the "Counterparty") shall have no discretion over the composition of the Sub-fund's portfolio nor over the assets that underlie the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses

that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution

- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Most notably, any increase in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily readjustment in the underlying 'double short' index formula implies

that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index exposure for holding periods greater than one business day.

For example, if the Parent Index gains 10% on a given business day and then loses 5% the following business day, the Sub-fund's net asset value will decline by 12% (before the deduction of relevant fees) over these two days, while the Parent Index will have gained 4.5% over the same period.

If the Parent Index loses 5% a day over two consecutive business days, it will have lost a total of 9.75%, while the Sub-fund will have gained a total of 21%, before the deduction of relevant fees.

| Negative scenario 1 | The leverage effect is negative and greater than 2 and the Parent Index increases | | | | |
|---------------------|---|---------------|-------------------|----------------|-----------------|
| | Parent Index | | Strategy index | | Leverage effect |
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 10% | 100 | -20% | 100 | x-2 |
| Day 2 | -5% | 110 | 10% | 80 | x-2 |
| | | 104.5 | | 88 | |
| Total return | | 4.50% | | -12.00% | x-2.67 |
| Negative scenario 2 | The leverage effect is negative and less than 2 and the Parent Index decreases | | | | |
| | Parent Index | | Strategy index | | Leverage effect |
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | -10% | 100 | 20% | 100 | x-2 |
| Day 2 | 6% | 90 | -12% | 120 | x-2 |
| | | 95.4 | | 105.6 | |
| Total return | | -4.60% | | 5.60% | x-1.22 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

| Inverse leverage scenario | The leverage effect is positive over the period | | | | |
|---------------------------|---|---------------|-------------------|---------------|-----------------|
| | Parent Index | | Strategy index | | Leverage effect |
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 5% | 100 | -10% | 100 | x-2 |
| Day 2 | -5% | 105 | 10% | 90 | x-2 |
| | | 99.75 | | 99 | |
| Total return | | -0.25% | | -1.00% | x4 |

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of its shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of its shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this fund are seeking inverse exposure with 2x leverage to the performance of the French equities market, whether positive or negative.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor CAC 40 Daily (-2x) Inverse UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| Currency | Acc share class |
|----------|-----------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1) SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of NAV calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2) PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "INAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
 - Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day and during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of this regulated market. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type shares classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the units are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|---|---|
| Subscription fee not kept by the Sub-fund | Net asset value x number of shares subscribed | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | Net asset value x number of shares subscribed | N/A |
| Redemption fee not kept by the Sub-fund | Net asset value x number of shares redeemed | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | Net asset value x number of shares redeemed | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|---|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax ⁽¹⁾ | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy - 92987 Paris La Défense CEDEX - France

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Sub-fund is in no way sponsored, approved, sold or recommended by Euronext or its subsidiaries (hereinafter "Euronext") (collectively referred to as the "Licensors").

The Licensors provide no warranty nor make no commitment, either express or implied, as to the results that may be obtained from using the CAC 40 DOUBLE SHORT GR INDEX (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by or in the name of Euronext. The Licensors disclaim all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and will not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders must be sent to the Depositary by the investor's financial intermediary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17, cours Valmy - 92987 Paris La Défense CEDEX – France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code. The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds. Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euro.

SUB-FUND NO. 26: LYXOR CAC 40 DAILY (-1X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010591362

CLASSIFICATION

The Lyxor CAC 40 Daily (-1x) Inverse UCITS ETF sub-fund (the "Sub-fund") is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to gain exposure to the performance of the French equities market, whether positive or negative, by replicating the behaviour of the CAC 40® Short benchmark index (the "Benchmark Index"), while minimising the tracking error between the Sub-fund's performance and that of the CAC 40® Short index.

The expected ex-post tracking error under normal market conditions is 0.08%.

BENCHMARK INDEX

The Benchmark Index is the CAC 40® Short Leverage strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in EUR.

The Benchmark Index provides daily inverse exposure to increases and decreases in the CAC 40® index with US dollars (the "Parent Index"). Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease that day and investors will not benefit from the increase in the Parent Index.

The Parent Index is the main benchmark for the Paris stock market. It measures changes in the prices of 40 stocks selected for their large market capitalisation, their representativeness of a given sector and the large volume of trading in their shares.

The performance of the Benchmark Index is equal to the inverted daily performance of the Parent Index, plus the interest (EONIA) received daily on 2x the closing value of the Benchmark Index (minus the cost of short positions on the Parent Index basket for one day).

The index therefore is representative of a short position strategy against the Parent Index, gross US dollars, with daily rebalancing.

The Benchmark Index is an equity index that is calculated, maintained and published by Euronext.

The performance tracked is that of the Benchmark Index's closing price.

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 www.russell.com. <https://www.euronext.com/en>

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The closing price of the Benchmark Index is available on the Internet at <https://www.euronext.com/en>

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Euronext Paris S.A., the administrator of the CAC 40® Short benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The composition of the Benchmark Index is not revised since its composition is adjusted when the Parent Index is revised.

The Parent Index is revised quarterly

The exact composition and Euronext's rules for rebalancing the Benchmark Index are available on the internet at <https://www.euronext.com/en>

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that make up the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Parent Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a member state of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date, using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at 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 Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

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.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other asset or financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution

- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The investors' money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to the daily fluctuations affecting the price or level of the Parent Index. The daily reset in the exposure in the underlying "short" strategy index formula implies that the Sub-fund's performance will not be equivalent to the inverse performance of the Parent Index for holding periods greater than one trading day. This means that investors are underexposed to volatility.

For example, if the Parent Index appreciates by 10% on business day one, and then depreciates by 5% on business day two, the ETF will be subject to a total decrease of 5.5% (before deduction of relevant fees) over the two business days, while the Parent Index will be subject to an increase of 4.5% over the same period. If the Parent Index depreciates by 5% per day over two consecutive business days, the ETF will see a total increase of 10.25% (before deduction of relevant fees), while the Parent Index will see a decrease of 9.75% over the same period.

Negative scenario 1

The Parent Index increases and the leverage effect is negative and greater than 1

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | Day 1 | 10% | 110 | -10% | |
| Day 2 | -8% | 101.2 | 8% | 97.2 | x-1 |
| Total return | 1.20% | | -2.80% | | x-2,33 |

Negative scenario 2

The Parent Index decreases and the leverage effect is negative and less than 1

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | Day 1 | -10% | 90 | 10% | |
| Day 2 | 6% | 95.4 | -6% | 103.4 | x-1 |
| Total return | -4.60% | | 3.40% | | x-0,74 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario

The leverage effect is positive over the period

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | Day 1 | 5% | 105 | -5% | |
| Day 2 | -5% | 99.75 | 5% | 99.75 | x-1 |
| Total return | -0.25% | | -0.25% | | x1 |

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- (v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;
- (vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this fund are looking for inverse exposure to rising and falling eurozone equity prices.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks. All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor CAC 40 Daily (-1x) UCITS ETF is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| | |
|----------|-----------------|
| Currency | Acc share class |
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day", and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement:

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The net asset value will be calculated each Trading Day.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

B. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section *SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)*.

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "*SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)*", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

C. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of this regulated market. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Asset management fees and administration fees that are external to the management company ⁽¹⁾ | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy - 92987 Paris La Défense CEDEX - France

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Lyxor CAC 40 Daily (-1x) Inverse UCITS ETF sub-fund is not sponsored, endorsed, sold or promoted in any way whatsoever by Euronext Paris SA or its subsidiaries (hereinafter "Euronext" and collectively referred to as the "Licensors").

The Licensors provide no guarantee and make no commitment either express or implied, regarding the results that may be obtained by using the CAC 40® Short Index and/or regarding the level the Index may reach at any given time or on any given day, or regarding anything else. The Index is calculated by or in the name of Euronext. The Licensors will not be liable, to anyone whomsoever, for any error that affects the Index and shall have no obligation to inform anyone whomsoever of any error that may affect the Index.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/hous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection. This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURES

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION RULES AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euro.

SUB-FUND NO. 27: LYXOR CAC MID 60 (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODES

Dist share class: FR0011041334

CLASSIFICATION

French equities

The Lyxor CAC Mid 60 (DR) UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the CAC Mid 60 Gross Total Return index (the "Benchmark Index"), denominated in euros, while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the CAC Mid 60 Gross Total Return strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares).

The Benchmark Index, which is weighted by free-floating market capitalisation, replicates the share price movements of 60 mid-cap companies listed on Euronext Paris regulated exchanges.

Eligible securities are rated by free-floating capitalisation and trading volume. The securities chosen for the Benchmark Index are the top-rated stocks that are not components of the CAC Large 60 index.

The Benchmark Index is an equities index that is calculated and published by the index provider Euronext.

The Benchmark Index measures the performance of the 60 top-rated stocks that are not part of the CAC Large 60 index. A 'buffer zone' is currently observed whereby current index components that are rated from 56th to 65th position have selection priority over eligible securities that are not currently components of the CAC Mid 60 or CAC Large 60 indices at the time of index revision.

The weight of each index constituent is adjusted to account for free float, which is rounded upward in 5% increments.

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 www.russell.com. <https://www.euronext.com/en>
The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at <https://www.euronext.com/en>

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Euronext Paris S.A., the administrator of the CAC Mid 60 Gross Total Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The composition and number of equities in the Benchmark Index is revised quarterly, at the close of the 3rd Friday in March, June, September and December.

The exact composition of the Benchmark Index and Euronext's rules for its revision are available on the Internet at <https://www.euronext.com/en>.

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will achieve its investment objective by employing a direct replication method, which means that it will invest mainly in the securities that make up the Benchmark Index.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative financial instruments (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

The Lyxor website at www.lyxoretf.com features a page dedicated to the Sub-fund, which among other things explains the direct index replication method selected, i.e. either full replication of the Benchmark Index or sampling to limit replication costs. 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 managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date, using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009. The Sub-fund will mainly be invested in the securities that make up the Benchmark Index.

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivatives traded on a regulated market or over the counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

- Possible types of transactions
 - Repos and reverse repos pursuant to the French monetary and financial code
 - Securities borrowing and lending pursuant to the French monetary and financial code
 - other types (specify)
- Purpose (all transactions must be consistent with the investment objective)
 - cash management
 - optimisation of the Sub-fund's income
 - other types (specify)

- Maximum proportion of assets under management for which securities financing transactions may be entered into: 25% of assets under management.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 25% of the Sub-fund's assets.

For this purpose, the Management Company will select Société Générale (hereafter the "Agent") to handle the following tasks in connection with the Sub-fund's securities financing transactions. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is an entity of the Société Générale group and is therefore tied to the Agent.

The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating costs/charges.

These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. More information on these operating costs/charges and on the entities to which these costs/charges are paid will be provided in the Multi Units France fund's annual report.

Income from the lending of securities will be paid to the Sub-fund after deduction of the direct and indirect operating costs/charges borne by the Agent and possibly by the management company. Since these direct and indirect costs/charges do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing expenses.

The Multi Units France annual report will provide the following information when applicable:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating costs/charges associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- Bonds issued or guaranteed by first-class issuers offering sufficient liquidity

- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see section 7 on "Securities financing transactions"), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund's behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company's Execution Policy.

RISK PROFILE

The shareholder's money will be mainly invested in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped and/or
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
- iv) a market maker fails to comply with an exchange's rules and/or
- v) an exchange's IT, electronic or other system fails.

- Risk of using efficient portfolio management techniques

The default of a counterparty to an efficient portfolio management technique (hereafter "EPMT") used by the Sub-fund could expose it to the risk that the value of the collateral it has received may be less than the value of the assets it has transferred to the counterparty to the EPMT transaction. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Unit-holders should note (i) that EPMT transactions may be entered into with Société Générale (which is an entity of the Management Company's parent group) and/or (ii) that the Sub-fund may appoint Société Générale as its agent for EPMT transactions.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is only partially achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Derivatives risk

On an ancillary basis, the Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund. The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;

(vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Risk of corporate action involving a Benchmark Index constituent

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument or transaction based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors seeking exposure to the performance of the 60 top-rated stocks that are not constituents of the CAC Large 60 index.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute any distributable amounts one or more times a year and/or accumulate all or part of such amounts.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Only a whole number of shares may be subscribed for.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

| | |
|----------|------------------|
| Currency | Dist share class |
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary until 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a “Primary Market Day”) and will be executed at the net asset value of that Primary Market Day (hereinafter the “reference NAV”). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received by 5:00 pm (Paris time) on the following Primary Market Day. Orders to purchase or redeem shares in the Sub-fund must be made for a whole number of units and for a minimum amount of 100,000 euros for the Dist share class.

Subscriptions/redemptions in cash:

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

Registrar and transfer agent by delegation from the management company:
SOCIÉTÉ GÉNÉRALE - 32, rue du Champ de Tir - 44000 Nantes – France

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The Sub-fund's net asset value is denominated in EUR

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be allowed, subject to the conditions set forth below, to redeem their shares on the primary market directly from the Sub-fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions”).

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section), the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish the Sub-fund's indicative net asset value (hereinafter the "iNAV") during trading hours every Trading Day (as defined below) (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters. If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of this regulated market. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | 0.50%* |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | 0.10%* |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

* The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- Incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.
- The direct and indirect operational costs/charges of securities financing transactions

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|---|--|--|
| Investment and administrative fees that are external to the management company ⁽¹⁾ | Net asset value | 0.50% p.a. |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity fee | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |
| Direct and indirect costs/charges of securities financing transactions | The amount of income from these transactions | 20% for the Management Company 15% for the Agent. |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 60% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Euronext N.V. holds all property rights in relation to the Index. Euronext N.V., or any directly or indirectly held subsidiary, do not guarantee, approve or are concerned in any manner whatsoever by the issue and offer of the product. Euronext N.V., or any directly or indirectly held subsidiary, will not be held liable with regards to third parties for any inaccurate data on which the Index is based, fault, error or omission concerning the calculation or dissemination of the Index, or pertaining to its use within the framework of this issue or of this offer.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders must be sent to the Depositary by the investor's financial intermediary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17, cours Valmy - 92987 Paris La Défense CEDEX - France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated..

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 28: LYXOR EURO OVERNIGHT RETURN UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010510800

CLASSIFICATION

The Lyxor Euro Overnight Return UCITS ETF sub-fund (the "Sub-fund") is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, which may be positive or negative, of the Solactive Euro Overnight Return Index (the "Benchmark Index"), denominated in euros (EUR), while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.20%.

BENCHMARK INDEX

The Benchmark Index is the Solactive Euro Overnight Return Index (with gross dividends reinvested). It is a "Total Return" index, which means that interest is compounded.

The Benchmark Index is calculated and maintained by Solactive AG.

The Benchmark Index is calculated using the EONIA rate (European Overnight Index Average), which is the daily overnight rate for deposits in the inter-bank market (i.e. unsecured lending transactions) carried out day to day in the euro-zone countries. Calculated by the European Central Bank and distributed by the European Banking Federation, the EONIA rate is the amount-weighted average of the effective interest rates paid and charged on overnight deposits and loans by a sample of 57 major banks. It is a major money market reference rate in the euro zone, along with EURIBOR, which covers periods of one week to one year.

The Benchmark Index is calculated using the following formula:

where $IINV[T+1]$ represents the index on date T+1;
 $IINV[T]$ is the index on the previous business day;
 $n[T+2,T+3]$, the number of effective days between T+2 and T+3
 rE is the EONIA fixing published in T between 6.45pm and 7.00pm.

A full description the Benchmark Index and of its construction methodology and information on the composition and respective weightings of the Benchmark Index components is available on the Internet at <https://www.solactive.com>. Additional information is also available on the Internet at www.euribor.ebf.eu.

The performance tracked is the Benchmark Index fixing determined by Solactive AG.

Benchmark Index publication

Solactive AG is responsible for collecting and disseminating the value of the Benchmark Index.

The Benchmark Index's characteristics are available at <https://www.solactive.com>.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Solactive AG, the administrator of the Solactive Euro Overnight Return Index, the benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

Since the Benchmark Index is based exclusively on the EONIA rate, it will not be periodically revised.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in which the Sub-fund may invest may include those that make up the Benchmark Index, and also other European equities, across all economic sectors and listed on all exchanges, and other eurozone securities.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by (i) a non-OECD country and/or (ii) a non-sovereign issuer.

This 20% limit can be increased to 35% for a single bond, when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the case of strong volatility in a debt issue, or an event of a political and/or economic nature that has affected or may affect the estimated debt of an issuing country and/or the credit rating of an issuing country or any other event likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, the securities guaranteed or issued by the same issuer may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets. The securities concerned must be financial instruments issued or guaranteed by a Member State of the OECD, local authorities of a Member State of the European Union or a party to the agreement on the EEA.

The fund manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may hold eurozone securities within the limits of the regulatory ratios.

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

- eligibility criteria, in particular:
 - senior debt
 - fixed maturity
 - maximum residual maturity
 - minimum issuance size
 - minimum S&P or equivalent credit rating
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Balance sheet assets with a residual maturity of at least two years must account for at least 60% of the value of the Sub-fund's assets.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

Guaranteed securities issued by the same issuer can represent up to 35% of the assets, and 100% of the assets if the fund holds at least six issues for which none of them exceeds 30% of the assets. The securities are instruments issued or guaranteed by a Member State of the OECD, territorial governments of a Member State of the EC or part of the agreement on the EEA.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses

that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Interest rate risk

The Sub-fund is exposed to central bank decisions that may cause money-market interest rates to decline. If this causes interest rates to fall below management fees and other structural costs, the Sub-fund's net asset value could decline.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. The Sub-fund is mainly exposed to counterparty risk resulting from the use of DFI traded over the counter with Société Générale or some other counterparty.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;

vi): the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are looking for exposure to the eurozone money market.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least one year. This minimum period may have to be adjusted in accordance with bid/ask spreads, brokerage fees and any stamp duty or other stock exchange tax that the investor may have to pay.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Acc class shares will be sold at an initial price that is equivalent to the net asset value of the absorbed units on the date that the LYXOR EURO CASH UCITS ETF FCP fund is merged

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Acc share class |
|----------|-----------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, on each Trading Day (as defined below) and during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges listing stocks included in the index are closed (during public holidays as defined by the TARGET calendar), and if it is not possible to calculate the indicative net asset value, trading of the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.15% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor Euro Overnight Return UCITS ETF is a French Sub-fund that has been approved by l'Autorité des Marchés Financiers. This Sub-fund's prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Solactive AG, which assumes no obligation and provides no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index and/or the Benchmark Index brand or of the level the Benchmark Index may reach at any given time or date, or of any other type. The Benchmark Index is calculated and published by Solactive AG, which does its best to ensure that the Benchmark Index is calculated correctly. Regardless of its obligations to the issuer, Solactive AG is in no way whatsoever obliged to inform any third party, including the Sub-fund's investors and financial intermediaries, of any errors that may affect the Benchmark Index. Solactive AG's publication of the Benchmark Index and the licence to use the Benchmark Index or its brand in respect of the Sub-fund may in no way be construed to be a recommendation by Solactive AG to invest in the Sub-fund's shares or a warranty or an opinion provided by Solactive AG in respect of an investment in the Sub-fund's shares. Solactive AG shall not be liable for the consequences of any views or opinions that may be based on this statement nor for any omission.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the assumptions set out in the above paragraph, the securities issued by the same issuing state may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets. The securities must be financial instruments issued or guaranteed by a Member State of the OECD, local authorities of a Member State of the European Union or a party to the agreement on the EEA.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

D. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 29: LYXOR WORLD WATER UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010527275

CLASSIFICATION

Global equities.

The Lyxor World Water UCITS ETF sub-fund (the "Sub-fund") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the World Water Index CW Net Total Return index (the "Benchmark Index"), denominated in euros (EUR), while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the World Water Index CW Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index is an equity index calculated by DOW JONES, maintained by SAM (Sustainable Asset Management) and published by the SOCIETE GENERALE group.

The Benchmark Index focuses on the water sector.

The Benchmark Index is comprised of companies listed on a European, American, Asian or Oceanian stock exchange and which earn most of their revenue in one of the following three business sectors:

- Infrastructure: pipe, pump and meter manufacturers and engineering companies
- Products and equipment for water treatment: equipment and technologies for disinfecting, filtering and desalinating water
- Distribution and management of hydraulic water networks: companies that distribute water and that manage hydraulic treatment units and networks in order to provide global management of the water cycle

The Benchmark Index weightings are based on the free float-adjusted market capitalisation of each index constituent, none of which may account for more than 10% of the Benchmark Index.

The Benchmark Index is analysed and rebalanced every three months, in March, June, September and December.

The Benchmark Index is calculated and published in real-time.

The performance tracked is that of the Benchmark Index's closing price.

A complete description of the Benchmark Index and its construction methodology, and information on the composition and respective weightings of the Benchmark Index components, are available on the Internet at www.stoxx.com. www.sgindex.com

Benchmark Index publication

The Benchmark Index is calculated daily using the official closing prices of the exchanges where the underlying stocks are listed.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The Benchmark Index closing price is available on the index provider's website at www.sgindex.com

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, Société Générale, the administrator of the World Water Index CW Net Total Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is revised quarterly to account for the changes in the stocks eligible for the Benchmark Index. Major changes to a company's share capital (e.g. resulting from a merger, acquisition, rights issues or IPO) may be processed in real time.

The exact composition of the Benchmark Index, the effective weights of index components and the rules for revising the Benchmark Index are available on the Internet at www.sgindex.com

The frequency of the aforementioned rebalancing does not affect the cost of implementing the Investment Strategy

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title. To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other asset or financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Low Benchmark Index diversification risk

The Benchmark Index to which investors are exposed covers a specific region, sector or investment strategy and therefore does not enable assets to be as broadly diversified as those of an index that is exposed to several regions, sectors or investment strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency different from the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Changes in exchange rates may therefore adversely affect the Sub-fund's Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors subscribing to this sub-fund are seeking exposure to the equity markets of companies carrying out, for their main source of revenue, activities concerning the water sector (infrastructure, products and equipment for treating water, distribution and management of hydraulic water networks).

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund LYXOR WORLD WATER UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Dist share class |
|----------|------------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 euros, for the Acc share class.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their units on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and pursuant to the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"

- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal bid/ask value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The World Water Index CW Net Total Return index (Wowax) is calculated by Dow Jones Indices, a division of Dow Jones & Company, Inc. ("Dow Jones") and is compiled by the SAM Group ("SAM"). Dow Jones and "Dow Jones Indices" are registered trademarks of Dow Jones & Company, Inc. The investment products based on Wowax are not offered, guaranteed, sold or promoted by Dow Jones Indices nor by SAM nor do Dow Jones Indices and SAM express any opinion whatsoever on the advisability of investing in such investment products. Dow Jones, SAM and their respective affiliated companies, sources and distributing agents (collectively designated as the "Index Parties"), exclude themselves from any liability with regards to Société Générale, Lyxor AM, any customer or third party resulting from the loss or damage, either directly or indirectly, stemming from (i) incorrect or incomplete data provided by Wowax, or delays, interruptions, errors or omissions concerning the said data or any other related data ("Index Data") or from (ii) any decision adopted or measure taken by Société Générale, Lyxor AM, any customer or third party on the sincerity of the Index Data. The Index Parties do not provide any certification, whether explicit or implied, to Société Générale, Lyxor AM, any of its customers or any third party concerning the Index Data, in particular no certificate as to the opportunity, order, accuracy, completeness, validity, marketing, quality or adequacy with a particular objective, or any certificate as to the results that are to be obtained by Société Générale, Lyxor AM, any of its customers or any third party pertaining to the use of the Index Data. The Index Parties exclude themselves from any liability with regards to Société Générale, Lyxor AM, any customer or third party in the event of operating losses, lost income or indirect damage, whether special or similar, of any nature whatsoever, whether pertaining to contractual damage, due to negligence, or otherwise, even if they are informed of the possibility of such damage. There are no contractual relations whatsoever between Dow Jones or the SAM Group and

any of the customers of Société Générale or of Lyxor AM for the investment products based on Wowax or linked to the latter. etf Lyxor AM, based on Wowax, is not proposed, guaranteed, sold or promoted by the Index Parties who in no way recommend whether or not it is advisable to invest.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

D. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 30: LYXOR EURO STOXX 50 DAILY (-2X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010424143

CLASSIFICATION

The Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF sub-fund (the "Sub-fund") is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to give inverse exposure with daily 2x leverage (positive or negative) to the European equities market, by replicating the performance of the EURO STOXX 50® Daily Double Short index (the "Benchmark Index"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the EURO STOXX 50® Daily Double Short strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in euros (EUR). The Benchmark Index is a strategy index designed by the global index provider Stoxx Ltd.

The Benchmark Index provides inverse daily exposure to the performance of the Euro Stoxx 50® Total Return index (the "Parent index") with 2x leverage. Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase by twice that amount that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease by twice that amount that day and investors will not benefit from the increase in the Parent Index.

The Parent Index is composed of the 50 largest stocks of the eurozone member countries. These stocks are selected on the basis of their market capitalisation, liquidity and sector representativeness. The Parent Index seeks to ensure that country and economic sector weightings reflect the eurozone's economic structure as closely as possible.

The Benchmark Index's daily performance is equivalent to the inverse of twice the daily performance of the Parent Index, plus the interest (at the EONIA rate) that is received daily on three times the Benchmark Index's closing price, less the costs incurred from the short sale of the securities that make up the Parent Index.

The Benchmark Index is therefore used to short the Parent Index with 2x daily leverage.

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at http://www.stoxx.com/download/indices/rulebooks/stoxx_strategy_guide.pdf

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at www.stoxx.com

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, Stoxx Ltd, the administrator of the EURO STOXX 50® Daily Double Short benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index's composition will vary when the Parent Index is revised. The Parent Index is revised annually, in September.

The exact composition of the Benchmark Index and STOXX Ltd.'s rules for its revision are available on the Internet at www.stoxx.com/indices

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

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.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Therefore, any gain in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily leverage reset in the underlying "double short" strategy index formula means that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index for holding periods greater than one business day.

For example, if the Parent Index gains 10% on a given business day and then loses 5% the following business day, the Sub-fund's net asset value will decline by 12% (before the deduction of the applicable fees) over these two days, while the Parent Index will have gained 4.5% over the same period.

If the Parent Index loses 5% a day over two consecutive business days, it will have lost a total of 9.75%, while the Sub-fund will have gained a total of 21%, before the deduction of the applicable fees.

| Negative scenario 1 | The Parent Index rises and the leverage effect is negative and greater than 2 | | | | |
|---------------------|---|-------------|-------------------|-------------|-----------------|
| | Parent index | | Strategy index | | leverage effect |
| | performance day i | value day i | performance day i | value day i | |
| | | 100 | | 100 | |
| Day 1 | 10% | 110 | -20% | 80 | x-2 |
| Day 2 | -5% | 104.5 | 10% | 88 | x-2 |
| Total return | 4.50% | | -12.00% | | x-2.67 |

| Negative scenario 2 | The Parent Index falls and the leverage effect is negative and less than 2 | | | | |
|---------------------|--|-------------|-------------------|-------------|-----------------|
| | Parent index | | Strategy index | | leverage effect |
| | performance day i | value day i | performance day i | value day i | |
| | | 100 | | 100 | |
| Day 1 | -10% | 90 | 20% | 120 | x-2 |
| Day 2 | 6% | 95.4 | -12% | 105.6 | x-2 |
| Total return | -4.60% | | 5.60% | | x-1.22 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

| Inverse leverage scenario | The leverage effect is positive over the period | | | | |
|---------------------------|---|-------------|-------------------|-------------|-----------------|
| | Parent index | | Strategy index | | leverage effect |
| | performance day i | value day i | performance day i | value day i | |
| | | 100 | | 100 | |
| Day 1 | 5% | 105 | -10% | 90 | x-2 |
| Day 2 | -5% | 99.75 | 10% | 99 | x-2 |
| Total return | -0.25% | | -1.00% | | x4 |

- Risk that the investment objective may not be fully achieved
There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments
In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime
A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets
A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund
In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets
In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk
If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

An "event that affects the index" may, for example, be any of the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking inverse exposure to increases or decreases in the European equities market, with daily 2x leverage.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Acc share class |
|----------|-----------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders for subscriptions / redemptions must be for a whole number of shares and represent at least EUR 100,000.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The net asset value will be calculated each Trading Day (as this term is defined below).

A "Trading Day" is defined as a day on which the exchange where the Sub-fund's shares are listed is normally not closed and on which the exchanges where the securities that make up the Benchmark Index are normally not closed, and on which the Benchmark Index is published.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units. If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

When the Sub-fund's shares are listed on Euronext Paris, Euronext will calculate and publish the indicative net asset value of the Sub-fund's shares (hereinafter the "iNAV") each Trading Day during trading hours. The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext will use the available Benchmark Index value published by Reuters. The share prices of the stocks that make up the Benchmark Index and which are used to calculate the value of the Benchmark Index and therefore to determine the iNAV are provided to Reuters by the various stock exchanges on which the equities that make up the Benchmark Index are listed

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no other relationship with the licence-holder than the licence that was granted for the EURO STOXX 50® DAILY DOUBLE SHORT index and the associated registered trademarks which may be used in conjunction with the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the shares of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund, which they also refrain from marketing or promoting.
- make no investment recommendation whatsoever in respect of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund or in respect of any other securities whatsoever.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the shares of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund and make no decisions in relation to this.
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund.
- have no obligation to take into consideration the needs of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund or of its shareholders when determining, constructing or calculating the EURO STOXX 50® DAILY DOUBLE SHORT index.

STOXX and its licensors decline any liability in relation to the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund. More specifically, STOXX and its Licensors do not provide or assure any warranty or guarantee whatsoever, either expressed or implied, concerning:

- The results that may be obtained by the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund, by investors in the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund, or by any other person involved in the use of the EURO STOXX 50® DAILY DOUBLE SHORT index or of the EURO STOXX 50® DAILY DOUBLE SHORT index data;
- The Accuracy or completeness of the EURO STOXX 50® DAILY DOUBLE SHORT index and the data it contains;
- The negotiability of the EURO STOXX 50® DAILY DOUBLE SHORT index and its data and their suitability for a specific use or purpose;
- STOXX and its licensors shall not be held liable for any error, omission or interruption whatsoever in the EURO STOXX 50® DAILY DOUBLE SHORT index or in its data;
- Under no circumstance shall STOXX or its licensors be liable for any economic loss whatsoever, including consequential loss, including consequential loss, even if STOXX and its licensors are informed of such risk.

The license agreement between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX was agreed in their sole interests, and not in the interest of the shareholders of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund or of any third party.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A. Subscription and redemption orders must be sent by the investors' financial intermediary (which must be a member of Euroclear France SA) to the depositary for processing.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

D. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 31: LYXOR EURO STOXX 50 DAILY (2X) LEVERAGED UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010468983

CLASSIFICATION

Eurozone country equities

The Lyxor EURO STOXX 50 Daily (2x) Leveraged UCITS ETF sub-fund (the "Sub-fund") will continuously maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide exposure with daily 2x leverage to the performance of European equities markets, whether positive or negative, by replicating the performance of the EURO STOXX 50® Daily Leverage Net Total Return index (the "Benchmark Index") while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the EURO STOXX 50® Daily Leverage Net Total Return strategy index with net dividends reinvested (which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares) denominated in euros (EUR).

The Benchmark Index is a strategy index designed by the global index provider Stoxx Ltd. It is calculated by Deutsche Börse AG.

The Benchmark Index is a strategy index that tracks the performance of the EURO STOXX 50® index (the "Parent Index") with daily 2x leverage. The Benchmark Index's daily performance is twice that of the Parent Index's daily performance, less the borrowing costs that are necessary to obtain the 2x leverage. Therefore, when the Parent Index gains 2% on a given trading day, the Benchmark Index will gain 4% on that day, less the borrowing costs. Conversely, if the Parent Index falls 2% on a given trading day, the Benchmark Index will decline 4% on that day, less the borrowing costs.

The Parent Index is composed of the 50 largest stocks of the eurozone member countries. These stocks are selected on the basis of their market capitalisation, liquidity and sector representativeness. The Parent Index seeks to ensure that country and economic sector weightings reflect the eurozone's economic structure as closely as possible.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.stoxx.com/indices

The performance tracked is that of the index's closing price in euros.

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at www.stoxx.com/www.stoxx.com/indices

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, Stoxx Ltd, the administrator of the EURO STOXX 50® Daily Leverage Net Total Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is not revised since it is a subset of the Parent Index, which is revised annually, usually in September. The Parent Index is revised annually, in September.

The exact composition of the Benchmark Index and STOXX Ltd.'s rules for its revision are available on the Internet at www.stoxx.com/www.stoxx.com/indices

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

The advantage of the "Leverage" strategy

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gains on a given trading day are twice as much as obtained with an "unleveraged" investment in the Parent Index. Conversely, if the Benchmark Index falls, the loss on a given trading day will be twice as much, due to the multiplier effect of the leverage. This leverage effect also applies to the risks of this investment strategy.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in the equities of eurozone countries, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to derivatives transactions, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are exposed to twice the daily change in the price or level of the Parent Index. Therefore, any decrease in the underlying market will be amplified and will imply a larger decrease in the Sub-fund's net asset value. Since the 'leverage' index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day.

For example, if the Parent Index gains 10% on a given trading day and then declines 5% the following trading day 2, the Sub-fund will have gained 8% (before fees) over these two days, while the Parent Index will have risen 4.5% over this period.

If the Parent Index loses 5% a day over two consecutive trading days, the Sub-fund will have lost a total of 19% (before fees), while the Parent Index will have lost 9.75% over this period.

Negative example with Parent Index increasing

| | Parent Index | Benchmark Index | Leverage effect |
|---------------------|--------------|-----------------|-----------------|
| Day 1 return | + 10% | + 20% | 6% |
| Day 2 return | - 5% | - 10% | 6% |
| Total return | +4.5% | +8% | x1.78 |

Positive example with Parent Index falling

| | Parent Index | Benchmark Index | Leverage effect |
|---------------------|---------------|-----------------|-----------------|
| Day 1 return | - 5% | - 10% | 6% |
| Day 2 return | - 5% | - 10% | 6% |
| Total return | -9.75% | -19% | x1.95 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may even fall although the Parent Index rises over this period.

Example with inverse leverage

| | Parent Index | | Benchmark Index | | Leverage effect |
|---------------------|-------------------|----------------|-------------------|---------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| Day 1 | 20% | 100 | 40% | 100 | 6% |
| Day 2 | -20% | 120 | -40% | 140 | 6% |
| Day 3 | 30% | 96 | 60% | 84 | 6% |
| Day 4 | -20% | 124.8 | -40% | 134.4 | 6% |
| Day 5 | 10% | 99.84 | 20% | 80.64 | 6% |
| Total return | + 9.82% | 109.824 | - 3.23% | 96,768 | x -0.33 |

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

An "event that affects the index" may, for example, be any of the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to the equities of large eurozone companies.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor EURO STOXX 50 Daily (2x) Leveraged UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| | |
|----------|-----------------|
| Currency | Acc share class |
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day" and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions will be completed within five French business days after the subscription or redemption order is received.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund is traded is open and that the orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent

The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components

Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "INAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index. .

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

When shares are traded on Euronext Paris, Euronext will calculate and publish, each Trading Day and during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV, Euronext Paris will use the Benchmark Index calculated throughout the Paris trading session (from 9:05 am to 5:35 pm) provided by Reuters.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext with all the financial and accounting data Euronext will need to calculate the Sub-fund's iNAV and in particular, as its reference net asset value, the Sub-fund's net asset value of the previous business day which corresponds to the Benchmark Index's reference level, which is its closing price the previous business day.

Euronext will use this reference net asset value and these index reference levels to calculate the Sub-fund's iNAV for the next trading day, which is updated in real time.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem

shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "Investment Company Act"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no other relationship with the licence-holder than the licence that was granted for the EURO STOXX 50® DAILY LEVERAGE index and the associated registered trademarks which may be used in conjunction with the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the shares of the LYXOR EURO STOXX 50 DAILY (2X) LEVERAGED UCITS ETF Sub-fund, which they also refrain from marketing or promoting.
- make no investment recommendation whatsoever in respect of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund or in respect of any other securities whatsoever.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the shares of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund and make no decisions in relation to this.
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund.

have no obligation to take into consideration the needs of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund or of its shareholders when determining, constructing or calculating the EURO STOXX 50® DAILY LEVERAGE index.

STOXX and its licensors decline any liability in relation to the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund. More specifically,

- STOXX and its Licensors do not provide or assure any warranty or guarantee whatsoever, either expressed or implied, concerning:
 - The results that may be obtained by the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund, by investors in the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund, or by any other person involved in the use of the EURO STOXX 50® DAILY LEVERAGE index or of the EURO STOXX 50® DAILY LEVERAGE index data;
 - The Accuracy or completeness of the EURO STOXX 50® DAILY LEVERAGE index and the data it contains;
 - The negotiability of the EURO STOXX 50® DAILY LEVERAGE index or of its data, and their appropriateness for a specific use or particular purpose.
- STOXX and its licensors disclaim any and all liability for any error, omission or interruption in the EURO STOXX 50® DAILY LEVERAGE index or its data.
- Under no circumstance shall STOXX or its licensors be liable for any economic loss whatsoever, including consequential loss, including consequential loss, even if STOXX and its licensors are informed of such risk.

The license agreement between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX was agreed in their sole interests, and not in the interest of the shareholders of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund or of any third party.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 32: LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010424135

CLASSIFICATION

The Lyxor EURO STOXX 50 Daily (-1x) Inverse UCITS ETF sub-fund (the "Sub-fund") is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide inverse exposure to the daily performance of the European equities market, whether positive or negative, by replicating the performance of the EURO STOXX 50® Daily Short index (the "Benchmark Index") while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the EURO STOXX 50® Daily Double Short strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in euros (EUR).

The Benchmark Index is a strategy index designed by the global index provider Stoxx Ltd.

The Benchmark Index provides inverse daily exposure to the performance of the Euro Stoxx 50® Total Return index (the "Parent index"). Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase that same day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease that same day and investors will not benefit from the increase in the Parent Index.

The Parent Index is composed of the 50 largest stocks of the eurozone member countries. These stocks are selected on the basis of their market capitalisation, liquidity and sector representativeness. The Parent Index seeks to ensure that country and economic sector weightings reflect the eurozone's economic structure as closely as possible.

The Benchmark Index's daily performance is equivalent to the inverse of the daily performance of the Parent Index, plus the interest (at the EONIA rate) that is received daily on two times the Benchmark Index's closing price, less the costs incurred from the short sale of the securities that make up the EURO STOXX 50® index.

The Benchmark Index is therefore used to short the Parent Index.

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 www.stoxx.com/indices.

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index is calculated daily at the closing price using the official closing price of the exchange where the securities that make up the index are traded. The Benchmark Index's closing price is available on the Internet at www.stoxx.com/indices

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, Stoxx Ltd, the administrator of the EURO STOXX 50® Daily Short benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The composition of the Benchmark Index will vary when the Parent Index is revised. The Parent Index is revised annually in September.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

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.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to the daily changes which affect the price or level of the Parent Index.

The daily reset in the exposure in the underlying "short" strategy index formula implies that the Sub-fund's performance will not be equivalent to the inverse performance of the Parent Index for holding periods greater than one trading day. This effectively reduces investor exposure to volatility.

For example, if the Parent Index gains 10% on a given business day and then loses 5% the following business day, the Sub-fund's net asset value will decline by 5.5% (before the deduction of the applicable fees) over these two days, while the Parent Index will have gained a total of 4.5%. If the Parent Index loses 5% a day over two consecutive business days, it will have lost a total of 9.75%, while the Sub-fund will have gained a total of 10.25%, before the deduction of the applicable fees.

Negative scenario 1

The leverage effect is negative and is greater than 1 and the Parent Index increases

| | Parent Index | | Strategy index | | leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | performance day i | value day i | performance day i | value day i | |
| Day 1 | 10% | 110 | -10% | 90 | x-1 |
| Day 2 | -8% | 101.2 | 8% | 97.2 | x-1 |
| Total return | 1.20% | | -2.80% | | x-2.33 |

Negative scenario 2

The leverage effect is negative and is less than 1 and the Parent Index decreases

| | Parent Index | | Strategy index | | leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | performance day i | value day i | performance day i | value day i | |
| Day 1 | -10% | 90 | 10% | 110 | x-1 |
| Day 2 | 6% | 95.4 | -6% | 103.4 | x-1 |
| Total return | -4.60% | | 3.40% | | x-0.74 |

Inverse leverage scenario

The leverage effect is positive over the period

| | Parent Index | | Strategy index | | leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | performance day i | value day i | performance day i | value day i | |
| Day 1 | 5% | 105 | -5% | 95 | x-1 |
| Day 2 | -5% | 99.75 | 5% | 99.75 | x-1 |
| Total return | -0.25% | | -0.25% | | x1 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

An "event that affects the index" may, for example, be any of the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking inverse exposure to the daily performance of the European equities market, whether positive or negative.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor EURO STOXX 50 Daily (-1x) Inverse UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| | |
|----------|-----------------|
| Currency | Acc share class |
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, at 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day", and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received before 5:00 pm (Paris time) on the following Primary Market Day. Orders to purchase or redeem shares in the Sub-fund must be for a minimum amount of at least 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be established daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.40% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no other relationship with the licence-holder than the licence that was granted for the EURO STOXX 50® DAILY SHORT index and the associated registered trademarks which may be used in conjunction with the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the shares of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund, which they also refrain from marketing or promoting.
- make no investment recommendation whatsoever in respect of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund or in respect of any other securities whatsoever.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the shares of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund and make no decisions in relation to this.
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund.
- have no obligation to take into consideration the needs of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund or of its shareholders when determining, constructing or calculating the EURO STOXX 50® DAILY SHORT index.

STOXX and its licensors decline any liability in relation to the Lyxor EURO STOXX 50 Daily (-1X) Inverse UCITS ETF Sub-fund. More specifically,

- STOXX and its Licensors do not provide or assure any warranty or guarantee whatsoever, either expressed or implied, concerning:

- The results that may be obtained by the Lyxor EURO STOXX 50 Daily (-1X) Inverse UCITS ETF Sub-fund, by investors in the Lyxor EURO STOXX 50 Daily (-1X) Inverse UCITS ETF Sub-fund, or by any other person involved in the use of the EURO STOXX 50® DAILY SHORT index or of the EURO STOXX 50® DAILY SHORT index data;
- The Accuracy or completeness of the EURO STOXX 50® DAILY SHORT index and the data it contains;
- The negotiability of the EURO STOXX 50® DAILY SHORT index and its data and their suitability for a specific use or purpose;
- STOXX and its licensors disclaim any and all liability for any error, omission or interruption in the EURO STOXX 50® DAILY SHORT index or its data.
- Under no circumstance shall STOXX or its licensors be liable for any economic loss whatsoever, including consequential loss, even if STOXX and its licensors are informed of such risk.

The license agreement between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX was agreed in their sole interests, and not in the interest of the shareholders of the Lyxor EURO STOXX 50 Daily (-1X) Inverse UCITS ETF Sub-fund or of any third party.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 33: LYXOR FTSE MIB DAILY (-2X) INVERSE (XBEAR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010446666

CLASSIFICATION

The Lyxor FTSE MIB Daily (-2x) Inverse (Xbear) UCITS ETF (the "Sub-fund") is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 1 June 2018 and was formed on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide inverse exposure with daily 2x leverage to the performance of the Italian equities markets, whether positive or negative, by replicating the performance of the FTSE MIB Daily Super Short Strategy RT Gross TR strategy index (the "Benchmark Index"), whether positive or negative and while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the FTSE MIB Daily Super Short Strategy RT Gross TR strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in EUR.

The Benchmark Index is a strategy index designed and maintained by FTSE.

The Benchmark Index provides inverse exposure, which is readjusted daily, to the performance of the Parent Index, whether positive or negative, and with 2x leverage. Therefore, if the Parent Index falls on one trading day, the Sub-fund's net asset value will rise by double that amount on that same day, and if the Parent Index rises on a trading day, the Sub-fund's net asset value will fall by double that amount on that day and shareholders will not be able to profit from the rise in the Parent Index.

The short positions taken on the Benchmark Index entail borrowing costs which are included in the Benchmark Index calculation methodology.

Thus, the Benchmark Index performance calculated on one trading day is equal to 2x the inverse performance of the Parent Index on that day, plus the cumulative interest (at the EONIA rate) received daily on three times the Benchmark Index's closing value, less the cost of short selling 2x the securities that underlie the Parent Index.

The Parent Index is free-float market capitalisation weighted and measures the performance of the 40 largest stocks on the Borsa Italiana exchange.

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 <http://www.ftse.com/products/indexmenu>

The performance tracked is that of the closing prices of the index equities.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The Benchmark Index closing price is available on the index provider's website at <http://www.ftse.com/products/indexmenu>

Pursuant to the provisions of Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE International Limited, the administrator of the benchmark index, FTSE MIB Daily Super Short Strategy RT Gross TR, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.

The Parent Index is revised quarterly.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

The exact composition of the Benchmark Index and the rules for its revision are available on the index provider's website at <http://www.ftse.com/products/indexmenu>

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-

fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty*) will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Therefore, any gain in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily readjustment in the underlying 'double short' index formula implies that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index exposure for holding periods greater than one business day. For example, if the Parent Index increases 10% on a given business day and then decreases 5% the following business day, the Sub-fund's net asset value will decline by 12% (before the deduction of fees) over these two days, while the Parent Index will have gained 4.5% over this period.

If the Parent Index falls 5% per day over two consecutive business days, it will have decreased a total of 9.75%, whereas the Sub-fund (before the deduction of fees) will have gained a total of 21%.

| <u>Negative scenario 1</u> | <u>The leverage effect is negative and greater than 2 and the Parent Index increases</u> | | | | |
|----------------------------|--|-------------|-------------------|-------------|-----------------|
| | Parent Index | | Strategy index | | |
| | performance day i | value day i | performance day i | value day i | leverage effect |
| | | 100 | | 100 | |
| Day 1 | 10% | 110 | -20% | 80 | x-2 |
| Day 2 | -5% | 104.5 | 10% | 88 | x-2 |
| Total return | 4.50% | | -12.00% | | x-2.67 |

| <u>Negative scenario 2</u> | <u>The leverage effect is negative and less than 2 and the Parent Index decreases</u> | | | | |
|----------------------------|---|-------------|-------------------|-------------|-----------------|
| | Parent index | | Strategy index | | |
| | performance day i | value day i | performance day i | value day i | leverage effect |
| | | 100 | | 100 | |
| Day 1 | -10% | 90 | 20% | 120 | x-2 |
| Day 2 | 6% | 95.4 | -12% | 105.6 | x-2 |
| Total return | -4.60% | | 5.60% | | x-1.22 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

| <u>Inverse leverage scenario</u> | <u>The leverage effect is positive over the period</u> | | | | |
|----------------------------------|--|-------------|-------------------|-------------|-----------------|
| | Parent Index | | Strategy index | | |
| | performance day i | value day i | performance day i | value day i | leverage effect |
| | | 100 | | 100 | |
| Day 1 | 5% | 105 | -10% | 90 | x-2 |
| Day 2 | -5% | 99.75 | 10% | 99 | x-2 |
| Total return | -0.25% | | -1.00% | | x4 |

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

An "event that affects the index" may, for example, be any of the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- **Corporate action risk**

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking inverse exposure with 2x leverage to the performance, whether positive or negative, of the Italian equities market and more specifically to the 40 largest stocks traded on the Borsa Italiana exchange

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor FTSE MIB Daily (-2x) Inverse (Xbear) UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| | |
|----------|-----------------|
| Currency | Acc share class |
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day" and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV".

Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be established daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|---|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares subscribed | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares subscribed | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares redeemed | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares redeemed | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|--------------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Lyxor FTSE MIB Daily (-2x) Inverse (Xbear) UCITS ETF is in no way sponsored, endorsed, sold or promoted by FTSE nor by Borsa Italiana Spa.

FTSE and Borsa Italiana Spa provide no warranty nor make no commitment, either express or implied, as to the results that may be obtained from using the FTSE MIB Daily Super Short Strategy RT Gross TR Index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by FTSE or on its behalf.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 34: LYXOR FTSE MIB DAILY (2X) LEVERAGED UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010446658

CLASSIFICATION

Eurozone country equities.

The Lyxor FTSE MIB Daily (2x) Leveraged UCITS ETF sub-fund (the "Sub-fund") will continuously maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide exposure with daily 2x leverage to the performance of the Italian equities market, whether positive or negative, by replicating the performance of the FTSE MIB Daily Leveraged RT Net-of-Tax (Lux) TR strategy index (the "Benchmark Index"), whether positive or negative and while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the FTSE MIB Daily Leveraged RT Net-of-Tax (Lux) TR strategy index with net dividends reinvested (which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares) denominated in EUR.

The Benchmark Index is a strategy index designed and calculated by the international index provider FTSE and Borsa Italiana Spa.

The Benchmark Index is a strategy index that tracks the performance of the FTSE MIB Net Total Return index (the "Parent Index") with daily 2x leverage. The Benchmark Index's daily performance is twice that of the Parent Index's daily performance, less the borrowing costs that are necessary to obtain the 2x leverage. Therefore, when the Parent Index gains 2% on a given trading day, the Benchmark Index will gain 4% on that day, less the borrowing costs. Conversely, if the Parent Index falls 2% on a given trading day, the Benchmark Index will decline 4% on that day, less the borrowing costs.

The Parent Index is free-float market capitalisation weighted and measures the performance of the 40 largest stocks on the Borsa Italiana.

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 <http://www.ftse.com/products/indexmenu>

The FTSE MIB Net Total Return index calculation methodology is available on the Internet at <http://www.ftse.com/products/indexmenu>

The performance tracked is that of the closing prices of the index equities.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The Benchmark Index closing price is available on the index provider's website at <http://www.ftse.com/products/indexmenu>

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, FTSE International Limited, the administrator of the FTSE MIB Daily Leveraged RT Net-of-Tax (Lux) TR benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.

The Parent Index is revised quarterly.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Parent Index and Euronext's rules for revising this index and consequently the Benchmark Index, are available on the Internet at <http://www.ftse.com/products/indexmenu>

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

The advantage of the "Leverage" strategy

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gain on a given day will be twice as much as with a "single" investment in the Parent Index. However, in a bear market the multiplier effect of the leverage also doubles losses on a daily basis. The daily multiplier effect also affects the risks of the overall investment strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

The basket of equities held 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 swap contract mentioned above is less than or equal to zero, which will neutralise the counterparty risk arising from the swap.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty^{*)}) will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) agreement as indicated in EU Regulation NO. 2015/2365. In particular, any decrease in the underlying market will be amplified and will imply a larger decrease in the Sub-fund's net asset value. Since the leverage in the Benchmark Index formula is

reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day. For example, if the Parent Index gains 10% on a given trading day and then declines 5% the following trading day 2, the Sub-fund will have gained 8% (before fees) over these two days, while the Parent Index will have risen 4.5% over this period. If the Parent Index falls 5% per day over two consecutive business days, it will have decreased a total of 9.75%, whereas the Sub-fund (before the deduction of the applicable fees) will have declined a total of 19% over this same period.

Negative scenario 1

The leverage effect is greater than 2 and the Parent Index decreases

| | Parent Index | | Strategy Index | | Leverage effect |
|--------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | | 100 | | 100 | |
| Day 1 | 10% | 110 | 20% | 120 | 6% |
| Day 2 | -11% | 97.9 | -22% | 93.6 | 6% |
| Total return | -2.10% | | -6.40% | | x3.05 |

Negative scenario 2

The leverage effect is less than 2 and the Parent Index increases

| | Parent Index | | Strategy Index | | Leverage effect |
|--------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | | 100 | | 100 | |
| Day 1 | -5% | 95 | -10% | 90 | 6% |
| Day 2 | 6% | 100.7 | 12% | 100.8 | 6% |
| Total return | 0.70% | | 0.80% | | x1.14 |

Moreover, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has increased.

Inverse leverage scenario

The leverage effect is negative over the period

| | Parent Index | | Strategy Index | | Leverage effect |
|--------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | | 100 | | 100 | |
| Day 1 | 20% | 120 | 40% | 140 | 6% |
| Day 2 | -16% | 100.8 | -32% | 95.2 | 6% |
| Total return | 0.80% | | -4.80% | | x-6 |

- Risk that the investment objective may not be fully achieved
There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments
In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

An "event that affects the index" may, for example, be any of the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking inverse exposure to the 40 largest stocks traded on the Borsa Italiana exchange

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor FTSE MIB Daily (2x) Leveraged UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Dist share class |
|----------|------------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|---|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares subscribed | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares subscribed | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares redeemed | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares redeemed | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

FTSE MIB Daily (2x) Leveraged UCITS ETF is in no way sponsored, endorsed, sold or promoted by FTSE nor by Borsa Italiana Spa.

FTSE and Borsa Italiana Spa assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the FTSE MIB Daily Leveraged RT Net-of-Tax (Lux) TR Index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by FTSE or on its behalf.

FTSE disclaims any and all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and shall not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 35: LYXOR FTSE MIB DAILY (-1X) INVERSE (BEAR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010446146

CLASSIFICATION

The Lyxor FTSE MIB Daily (-1x) Inverse (Bear) UCITS ETF sub-fund (the "Sub-fund") is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide inverse exposure to the performance of the Italian equities markets, whether positive or negative, by replicating the performance of the FTSE MIB Daily Short Strategy RT Gross TR strategy index (the "Benchmark Index"), whether positive or negative and while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the FTSE MIB Daily Short Strategy RT Gross TR strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in EUR (the "**Benchmark Index**"). The Benchmark Index is a strategy index designed and calculated by the international index provider FTSE and Borsa Italiana Spa.

The Benchmark Index provides inverse exposure, which is reset daily, to increases and decreases in the Parent Index. Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase by the same amount that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease by as much that day and investors will not benefit from the increase in the Parent Index.

The short positions taken on the Benchmark Index entail borrowing costs which are included in the Benchmark Index calculation methodology.

Thus, the Benchmark Index performance calculated on one trading day is equal to the inverse performance of the Parent Index on that day, together with interest received daily on 2x the previous Benchmark Index closing price (at the EONIA rate) less the cost of short positions for this trading day on the FTSE MIB index securities.

The Parent Index is free-float market capitalisation weighted and measures the performance of the 40 largest stocks on the Borsa Italiana.

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 <http://www.ftse.com/products/indexmenu>

The performance tracked is that of the Benchmark Index's closing price denominated in euros.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The Benchmark Index closing price is available on the index provider's website at <http://www.ftse.com/products/indexmenu>

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, FTSE International Limited, the administrator of the FTSE MIB Daily Short Strategy RT Gross TR benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.

The Parent Index is revised quarterly.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Benchmark Index and Euronext's rules for revising the Benchmark Index are available on the index provider's website at <http://www.ftse.com/products/indexmenu>.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty*) will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to the daily change in the price or level of the Parent Index.

The daily reset in the exposure in the underlying "short" strategy index formula implies that the Sub-fund's performance will not be equivalent to the inverse performance of the Parent Index for holding periods greater than one trading day. For example, if the Parent Index increases 10% on a given business day and then decreases 5% the following business day, the Sub-fund's net asset value will decline by 5.5% (before the deduction of the applicable fees) over these two days, while the Parent Index will have gained a total of 4.5%. If the Parent Index decreases 5% per day over two consecutive business days it will have decreased a total of 9.75%, while the Sub-fund will have gained a total of 10.25% over this period (before the deduction of the applicable fees).

Negative scenario 1

The Parent Index increases and the leverage effect is negative and greater than 1

| Parent Index | | Strategy Index | | Leverage effect |
|-------------------|-------------|-------------------|-------------|-----------------|
| Performance day i | Value day i | Performance day i | Value day i | |
| | | | | |

| | | | | | |
|---------------------|--------------|-------|---------------|------|---------------|
| | | 100 | | 100 | |
| Day 1 | 10% | 110 | -10% | 90 | x-1 |
| Day 2 | -8% | 101.2 | 8% | 97.2 | x-1 |
| Total return | 1.20% | | -2.80% | | x-2,33 |

Negative scenario 2 The Parent Index decreases and the leverage effect is negative and less than 1

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | | 100 | | 100 | |
| Day 1 | -10% | 90 | 10% | 110 | x-1 |
| Day 2 | 6% | 95.4 | -6% | 103.4 | x-1 |
| Total return | -4.60% | | 3.40% | | x-0,74 |

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario The leverage effect is positive over the period

| | Parent Index | | Strategy Index | | Leverage effect |
|---------------------|-------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | | 100 | | 100 | |
| Day 1 | 5% | 105 | -5% | 95 | x-1 |
| Day 2 | -5% | 99.75 | 5% | 99.75 | x-1 |
| Total return | -0.25% | | -0.25% | | x1 |

- Risk that the investment objective may not be fully achieved
There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments
In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime
A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets
A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund
In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets
In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

An "event that affects the index" may, for example, be any of the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund will be inversely exposed to increases and decreases in the prices of Italian equities and more specifically to the 40 largest stocks listed on the Borsa Italiana.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor FTSE MIB Daily (-1x) Inverse (Bear) UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Acc share class |
|----------|-----------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 "Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|---|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares subscribed | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares subscribed | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares redeemed | The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares redeemed | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor FTSE MIB Daily (-1x) Inverse (Bear) UCITS ETF is in no way sponsored, endorsed, sold or promoted by FTSE nor by Borsa Italiana Spa.

FTSE and Borsa Italiana Spa assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by or in the name of FTSE.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 36: LYXOR BUND DAILY (-2X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010869578

The Lyxor Bund Daily (-2x) Inverse UCITS ETF sub-fund (the "Sub-fund") is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to provide inverse exposure to the daily performance, whether positive or negative, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years, with daily 2x inverse leverage, by replicating the performance of the Solactive BTP Daily (-2x) Leveraged Index (the "**Benchmark Index**"), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is a strategy index developed by Solactive AG using a proprietary methodology. The Benchmark Index is calculated and maintained by Solactive AG.

The Benchmark Index provides inverse exposure, with daily 2x leverage, to the performance, whether positive or negative, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years, of which Euro-Bund futures contracts are a representative indicator. Accordingly, if EUR-Bund futures fall on a given trading day, the Sub-fund's net asset value should rise twice as much that day, and if EUR-Bund futures rise on a given trading day, the Sub-fund's net asset value should fall by twice as much that day, and share-holders will not profit from the rise of Euro-Bund futures.

Euro-Bund futures are a representative indicator of the performance of German sovereign bonds having a residual maturity of 8.5 to 10.5 years. They are traded on Eurex. The methodology employed is available at www.eurexchange.com

The Benchmark Index's daily performance is the inverse of twice the performance of the Euro-Bund futures, plus the daily interest (at the benchmark rate) paid on the fixing of the previous day's Benchmark Index.

This index is therefore representative of a short position on Euro-Bund futures, with 2x leverage and daily adjustment. The index may be further adjusted during a trading session if it falls by more than 40%, i.e. if the absolute daily increase in Euro-Bund futures exceeds 20%.

The performance tracked is that of the Benchmark Index's closing fixing in euros.

Since the methodology used to calculate the Benchmark Index is not based on direct investment in Bunds 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 Sub-fund's performance in comparison with the gross performance of the long positions on the underlyings of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-fund.

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at <https://www.solactive.com>.

Benchmark Index composition and revision

The Benchmark Index is rebalanced daily.

The frequency of the aforementioned adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark index publication

The Benchmark Index is calculated daily using the official closing fixing of Euro-Bund futures at 5.15 pm.

The Benchmark Index's fixing is available on the index provider's website at <https://www.solactive.com>.

Pursuant to Article 34 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Solactive AG, the administrator of the Solactive BTP Daily (-2x) Leveraged Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced daily.

The exact composition of the Benchmark Index and the rules for its revision are available on the index provider's website at <https://www.sgindex.fr/>

The frequency of this rebalancing will have an impact on the Sub-fund's costs and could therefore diminish its performance.

Since the methodology used to calculate the Benchmark Index is not based on direct exposure to German government bonds (Bunds) but on indirect exposure via futures contracts, the Sub-fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts each quarter.

Over time, this could significantly diminish the Sub-fund's 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.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in which the Sub-fund may invest may include those that make up the Benchmark Index, and may also include other securities from all economic sectors, listed on all financial markets, including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by a non-OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, the securities guaranteed or issued by a given sovereign issuer may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in eurozone equities in all economic sectors and listed on any exchange, including small-cap exchanges.

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

- eligibility criteria, in particular:
 - senior debt
 - fixed maturity
 - maximum residual maturity
 - minimum issuance size
 - minimum S&P or equivalent credit rating
-
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's securities (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;

- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Interest rate risk

The price of a bond can be affected by unexpected changes in the level of interest rates, which in particular may modify the shape of the yield curve in particular. The bonds that make up the Benchmark Index are exposed to changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily double-short leverage reset risk

Investors are inversely exposed to two times the daily increase or decrease in the price of the Bund futures that underlie the Benchmark Index. Therefore, any gain in the underlying market will be inversely amplified and will result in a larger decrease in the Sub-fund's net asset value. Since the underlying 'double short' index formula is reset daily, the Sub-fund's performance will not be equivalent to two times the inverse performance of the Bund futures over periods of more than one business day. This effectively reduces investor exposure to volatility.

For example, if the Bund futures that underlie the Benchmark Index rise 10% on a given business day, and then fall 5% on the next business day, the Sub-fund will decline a total 12% over these two days (before the deduction of the applicable fees), whereas the Bund futures that underlie the Benchmark Index will have gained 4.50% over this period.

If the Bund futures that underlie the Benchmark Index fall 10% on a given business day and then rise 6% the following business day, the Sub-fund will gain 5.60% over these two days (before deduction of the applicable fees), whereas the Bund futures that underlie the Benchmark Index will have lost 4.60% over this period.

Accordingly, if the Bund futures that underlie the Benchmark Index gain 5% on a given business day and then fall 5% the following business day, the Sub-fund will lose 1% over these two days (before the deduction of the applicable fees), while the Bund futures that underlie the Benchmark Index will have also declined over this period, but only by 0.25%

Negative scenario 1

The overall price of the Benchmark Index's underlyings increases and the leverage effect is negative and greater than 2

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|---------------------|----------------------------|--------------|-------------------|----------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | | 100 | | 100 | |
| Day 1 | 10% | 110 | -20% | 80 | x-2 |
| Day 2 | -5% | 104.5 | 10% | 88 | x-2 |
| Total return | | 4.50% | | -12.00% | x-2.67 |

Negative scenario 2

The overall price of the Benchmark Index's underlyings decreases and the leverage effect is negative and less than 2

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|---------------------|----------------------------|---------------|-------------------|--------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | | 100 | | 100 | |
| Day 1 | -10% | 90 | 20% | 120 | x-2 |
| Day 2 | 6% | 95.4 | -12% | 105.6 | x-2 |
| Total return | | -4.60% | | 5.60% | x-1.22 |

Furthermore, it is possible that if the Benchmark Index underlying is highly volatile over a period of more than one day the Sub-fund's net asset value may decline even though the Benchmark Index's underlying also declines over this period.

Inverse leverage scenario:

The leverage effect is positive over the period

| | Benchmark Index underlying | | Strategy Index | | Leverage effect |
|-------|----------------------------|-------------|-------------------|-------------|-----------------|
| | Performance day i | Value day i | Performance day i | Value day i | |
| | | 100 | | 100 | |
| Day 1 | 5% | 105 | -10% | 90 | x-2 |
| Day 2 | -5% | 99.75 | 10% | 99 | x-2 |

| | | | |
|--------------|--------|--------|----|
| Total return | -0.25% | -1.00% | x4 |
|--------------|--------|--------|----|

- Futures roll-over risk

Since the Benchmark Index consists of futures contracts on German government bonds (Bunds), 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 Sub-fund's performance in comparison with the gross performance of the underlying of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-fund's shares.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking inverse exposure to the performance, whether positive or negative and with daily 2x leverage, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Bund Daily (-2x) Inverse UCITS ETF is merged.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| | |
|----------|-----------------|
| Currency | Acc share class |
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 3% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share.

Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.20% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor Bund Daily (2x) Inverse UCITS ETF is a French Sub-fund that has been approved by l'Autorité des Marchés Financiers. The Sub-fund's prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Solactive AG, which assumes no obligation and provides no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index and/or the Benchmark Index brand or of the level the Benchmark Index may reach at any given time or date, or of any other type. The Benchmark Index is calculated and published by Solactive AG, which does its best to ensure that the Benchmark Index is calculated correctly. Regardless of its obligations to the issuer, Solactive AG is in no way whatsoever obliged to inform any third party, including the Sub-fund's investors and financial intermediaries, of any errors that may affect the Benchmark Index. Solactive AG's publication of the Benchmark Index and the licence to use the Benchmark Index or its brand in respect of the Sub-fund may in no way be construed to be a recommendation by Solactive AG to invest in the Sub-fund's shares or a warranty or an opinion provided by Solactive AG in respect of an investment in the Sub-fund's shares. Solactive AG shall not be liable for the consequences of any views or opinions that may be based on this statement nor for any omission.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the assumptions set out in the above paragraph, the securities issued by the same issuing state may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets. The securities must be financial instruments issued or guaranteed by a Member State of the OECD, local authorities of a Member State of the European Union or a party to the agreement on the EEA.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 37: LYXOR FTSE MIB UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010010827

CLASSIFICATION

Eurozone equities.

The Lyxor FTSE MIB UCITS ETF sub-fund (the "Sub-fund") will continuously maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the FTSE MIB™ Net Total Return (with net dividends reinvested) index denominated in euros (the "Benchmark Index") while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index measures the performance of 40 stocks listed on the Italian stock exchange and aims to replicate the sector breakdown of the Italian stock market.

The Benchmark Index is a Net Total Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The composition of the Benchmark Index is based on three criteria: free float, liquidity, and the representativeness of the market's main sectors as defined under the Industrial Classification Standard (ICB).

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: <http://www.ftse.com>

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index's closing price is available on the FTSE's website at <http://www.ftse.com>

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, FTSE International Limited, the administrator of the FTSE MIB™ Net Total Return benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and Euronext's rules for its revision by are available on its website at <http://www.ftse.com>

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index and other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to Italian equities.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least three years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor FTSE MIB UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Dist share class |
|----------|------------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated daily, provided that at least one exchange on which the Sub-fund is listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0,35% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The LYXOR ETF FTSE MIB fund is in no way sponsored, endorsed, sold or promoted by FTSE or by Borsa Italiana Spa.
FTSE and Borsa Italiana Spa assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the FTSE MIB™ Net Total Return index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by FTSE or on its behalf. FTSE disclaims any and all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and shall not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 38: LYXOR IBEX 35 (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010251744

Acc share class: FR0012205672

CLASSIFICATION

Eurozone equities.

The Lyxor IBEX 35 (DR) UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to the equity markets of one or more eurozone countries, including the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the IBEX 35 Net Return index (with net dividends reinvested) index (the "Benchmark Index") denominated in euros and the main Spanish stock market index, while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.20%.

BENCHMARK INDEX

The Benchmark Index is an equity index that is calculated and published by Sociedad de Bolsas.

The Benchmark Index is composed of 35 Spanish stocks selected on the basis of their liquidity.

The Benchmark Index is a Net Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

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 <http://www.bolsamadrid.es>

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

Real-time Benchmark Index values are available via Bloomberg and Reuters.

The closing price of the Benchmark Index is available on the Internet at <http://www.bolsamadrid.es>

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, Sociedad de Bolsas, the administrator of the IBEX 35 Net Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and Sociedad de Bolsas' rules for its revision by are available on its website at <http://www.bolsamadrid.es>

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ a direct replication method, which means that the Sub-fund will invest in the securities that underlie the Benchmark Index.

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French monetary and financial code and in particular temporarily dispose of securities subject to the requirements explained below.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative instrument financials (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page

dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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 managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity 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 affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The Sub-fund will at all times invest at least 75% of its assets in companies that have their head office in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly invest in the equities that comprise the Benchmark Index.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivatives traded on a regulated market or over the counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: up to 20% of the Sub-fund's assets.

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a subsidiary of the group of which Société Générale is a subsidiary and is therefore tied to the agent.

The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating costs/charges.

These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating costs/charges and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.

Income from the lending of securities will be paid to the Sub-fund after deduction of the direct and indirect operating costs/charges borne by the Agent and possibly by the management company. Since these direct and indirect operating costs/charges do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating costs associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;

- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see section 7 on “Securities financing transactions”), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund’s behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company’s Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company’s relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company’s Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company’s senior management and/or to the Société Générale group’s Risk department.

RISK PROFILE

The shareholder’s money will be invested mainly in the financial instruments that comprise the Benchmark Index selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer’s risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor’s capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund’s liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares or units may deviate from the Sub-fund’s indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index’s underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund’s indicative net asset value
- iv) a market maker fails to comply with an exchange’s rules
- v) an exchange’s IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund’s ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund’s total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund’s counterparty to an efficient portfolio management technique (hereinafter “EPMT”) defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that (i) EPMT transactions may be entered into with Société Générale (which is a subsidiary of the same group as the Management Company) and/or (ii) that Société Générale may be appointed the Sub-fund’s agent for EPMT.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to Spanish equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor IBEX 35 (DR) UCITS ETF.

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Dist share class | Acc share class |
|----------|------------------|-----------------|
| | EUR | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

In this case, the subscription and redemption of units will be subject to the fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", which serve to cover the Sub-fund's transaction costs.

In these exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | 0.50% |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | 0.10% |

⁽¹⁾ The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund
- direct and indirect costs/charges of securities financing transactions/

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|--|--|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.30% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |
| Direct and indirect costs/charges of securities financing transactions | The amount of income from these transactions | 20% for the Management Company 15% for the Agent. |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 90% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Sociedad de Bolsas, the owner of the IBEX 35® index and its associated trademarks, warrants that it does not sponsor, promote or evaluate the appropriateness of investing in this financial product. Authorisation to use this index or an associated trademark shall not be construed as a favourable opinion as to the appropriateness or advantage to be gained from investing in this financial product.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 39: LYXOR MSCI EUROPE (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010261198

CLASSIFICATION

Global equities

The Lyxor MSCI Europe (DR) UCITS ETF sub-fund (the "Sub-fund") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and will be established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI Europe Net Total Return Index with net dividends reinvested (the "Benchmark Index"), which is representative of mid-cap and large-cap companies listed on developed European equity markets and is denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is the MSCI Europe Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares. This index is denominated in EUR.

The Benchmark Index is an equity index weighted by market capitalization and adjusted for free-float. It is calculated and published by the international index provider MSCI.

The Benchmark Index has the same basic characteristics of all MSCI indices, which include:

- a) the universe of securities that comprise the Benchmark Index;
- b) free-float adjustment of index components;
- c) classification by sector based on the Global Industry Classification Standard (GICS) .

The Benchmark Index is representative of mid-cap and large-cap companies listed on developed European equity markets. It is composed exclusively of the securities of European countries and aims to include 85% of the free-float-adjusted market capitalisation of each country in the index and each group of European industries.

By targeting 85% of each country and of each industry group, the Benchmark Index will capture 85% of the total market capitalisation of the European markets, while also reflecting their economic diversity.

The MSCI methodology and calculation method are based on a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at <http://www.msci.com>

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The official MSCI indices are calculated continuously from 9.00am to 5:30 pm (Paris time) for which MSCI calculates a closing price using the official closing prices of the constituent stocks.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and MSCI's rules for its revision are available on the index provider's website at <http://www.msci.com>.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Pursuant to Article 34 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, MSCI Limited, is listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will achieve its investment objective by implementing a direct replication method, which means that it will invest mainly in the Benchmark Index's constituents.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative financial instruments (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index 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 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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 managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.
The Sub-fund will mainly be invested in the securities that make up the Benchmark Index.

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

- French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
- French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
- other foreign investment funds (specify)

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest, on an ancillary basis, in derivatives traded on a regulated or over-the-counter market.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French Monetary and Financial Code, including the temporary sale and purchase of securities.

- Possible types of transactions

- Repos and reverse repos pursuant to the French monetary and financial code
- Securities borrowing and lending pursuant to the French monetary and financial code
- Other types (specify)

- Purpose (all transactions must be consistent with the investment objective)

- Cash management
- Optimise the Sub-fund's income
- Other types (specify)

Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
Expected proportion of assets under management for which securities financing transactions may be entered into: 20% of the Sub-fund's assets.

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a Société Générale entity and that it is therefore affiliated with the Agent.

The Sub-fund shall be entitled to all income from the temporary disposal of securities, net of any direct and indirect operating cost/charges.

These operating cost/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating cost/charges will be calculated as a percentage of the Sub-fund's gross revenue. More information on these operating cost/charges and on the entities to which these cost/charges are paid will be provided in the Sub-fund's annual report.

All income obtained from the lending of securities (from which must be deducted all direct and indirect operating cost/charges borne by the Agent and if applicable by the management company) shall be paid to the relevant Sub-fund. Since these direct and indirect cost/charges do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing expenses.

If necessary, the Sub-fund's annual report will provide the following information:

- the risk exposure resulting from efficient portfolio management transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk; and
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating cost/charges associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;

- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see Section 7 "Securities financing transactions"), the Management Company will draw up and submit to Société Générale a list of counterparties that are approved for securities financing transactions on the basis of the selection criteria indicated below.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into securities financing and derivatives contracts on the Sub-fund's behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions based in an OECD country are selected and only after a thorough analysis based on the specific criteria of the Management Company's Risks department, which include, for example, financial stability, credit rating, risk exposure, credit spread, nature of business activity and track record.

The list of approved counterparties is reviewed monthly and possibly more frequently or in the event of a market shock. This review involves all of the Management Company's relevant departments. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimization techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Risks of using efficient portfolio management techniques

The default of a counterparty to an efficient portfolio management technique (hereafter "EPMT") used by the Sub-fund could expose it to the risk that the value of the collateral it has received may be less than the value of the assets it has transferred to the counterparty to the EPMT transaction. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Unit-holders should note (i) that EPMT transactions may be entered into with Société Générale (which is an entity of the Management Company's parent group) and/or (ii) that the Sub-fund may appoint Société Générale as its agent for EPMT transactions.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The Sub-fund can enter into transactions involving derivative financial instruments (DFI) traded over the counter.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,
 iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
 v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
 vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- **Corporate action risk**

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- **Currency risk associated with the Benchmark index**

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to European equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor MSCI Europe UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Dist share class |
|----------|------------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. **SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET**

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 4:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 4:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 4:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

In this case, subscriptions and redemptions will be subject to the charges indicated in the section entitled "*SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)*", which serves to cover the Sub-fund's trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | 0.50% ⁽¹⁾ |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | 0.10% ⁽¹⁾ |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

(1) The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.
- The direct and indirect operational cost/charges of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|---|---|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.25% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |
| Direct and indirect costs/charges of securities financing transactions. | Income obtained from these transactions | 20% for the Management Company 15% for the Agent |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor MSCI Europe (DR) UCITS ETF (the "Fund") is in no way sponsored, approved, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either express or implied, to holders of the Fund's shares or, more generally, to the general public, concerning the merits of trading in the shares or units of investment funds in general or in the shares of this Fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 40: LYXOR MSCI USA UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010296061

Acc share class: FR0011363423

Monthly Hedged to EUR – Acc share class: FR0012969624

CLASSIFICATION

Global equities

The Lyxor MSCI USA UCITS ETF sub-fund (the "Sub-fund" is continuously at least 60% exposed to at least one foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI USA Net Total Return index, i.e. with net dividends reinvested (the "**Benchmark Index**"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is an equity index that is calculated and published by the global index provider MSCI.

The Benchmark Index is composed exclusively of the equities of the United States of America and has the same basic characteristics as the MSCI indices, which include adjustment of the market capitalisations of the Benchmark Index stocks based on their free float and classification by sector using the Global Industry Classification Standard (GICS).

The Benchmark Index is a Net Total Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The objective of the Benchmark Index is to represent 85% of the free float-adjusted market capitalisation of each major US industrial sector.

In targeting 85% representation of each major industrial sector, the Benchmark Index captures 85% of the market capitalisation of US stocks, while reflecting the US market's economic diversity.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com.

The performance tracked is that of the Benchmark Index's closing price.

The Benchmark Index is weighted by market capitalisation.

The Monthly Hedged to EUR – Acc share class employs a monthly-rebalanced hedging strategy that reduces the impact of a change in the exchange rate between the currency of each Benchmark Index component and share class's currency

Benchmark Index publication

The official MSCI indices are calculated on a daily basis at closing prices using the official closing stock market prices for the constituent stocks.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, MSCI Limited, the administrator of the MSCI USA Net Total Return benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

MSCI Standards indices are revised annually so as to be representative of 85% of the adjusted market capitalisation of the US market in each industry group.

The MSCI Standards indices are also reviewed quarterly, in order to take into account changes affecting a stock's market capitalisation (number of stocks and free float) or its classification by sector. The principal changes in a company's capital structure may be implemented in real time (merger or acquisition, large rights issues or IPOs).

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

The Benchmark Index revision rules are published by MSCI and are available on MSCI's website at www.msci.com

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC, and/or are eligible as defined in Article R214-13 of the French monetary and financial code, is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments (“DFI”), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.

A ‘Benchmark Index event’ includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index’s performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund’s Benchmark Index.

- Currency risk of the Dist and Acc share classes

These shares are exposed to currency risk since they are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore cause the net asset value of these share classes to decrease, even if the value of the Benchmark Index increases.

- Monthly Hedged to EUR – Acc share class

To hedge the EUR currency risk of the Monthly Hedged to EUR – Acc share class vis-à-vis the currency of each of the securities that make up the Benchmark Index, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between each of these currencies and that of the share class. Given the monthly implementation of this hedging and the instruments employed, the hedging of currency risk is imperfect and the Sub-fund may be exposed to adverse market movements.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors subscribing to this sub-fund are seeking exposure to the US equity market.

The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.
Acc and Monthly Hedged to EUR– Acc share classes: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor MSCI USA UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Dist share class | Acc share class | Monthly Hedged to EUR – Acc share class |
|----------|------------------|-----------------|---|
| | EUR | EUR | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 EUR, for the Acc, Dist and Monthly Hedged to EUR – Acc share classes.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components

- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters and the EUR/USD exchange rate indicated by Reuters (the WM Reuters fixing rate) to convert the Benchmark Index price into EUR.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable, and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.25% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

LYXOR MSCI USA UCITS ETF (the "Fund") is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in the shares or units of mutual funds in general or in the shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right

to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;

- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 41: LYXOR MSCI WORLD UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010315770

Monthly Hedged to EUR – Dist share class: FR0011660927

Monthly Hedged to USD – Dist share class: FR0011669845

CLASSIFICATION

Global equities

The LYXOR MSCI World UCITS ETF sub-fund (the "Sub-fund") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI World Net Total Return index, i.e. with net dividends reinvested (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is an equity index that is calculated and published by the global index provider MSCI.

It measures the aggregate performance of developed markets. On 31 January 2018, the MSCI World Index consisted of 1,649 stocks of the following 23 developed countries: Australia, Austria, Belgium, Canada, Denmark, Germany, Finland, France, Israel, Hong Kong, Ireland, Italy, Japan, The Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, The United Kingdom and The United States.

The Benchmark Index is built from a composite of the MSCI indices representing each of these 23 developed countries.

The Benchmark Index is a Net Total Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The weighting of each stock in the Benchmark Index is adjusted in line with its free-floating market capitalisation. As a result the number of stocks in the Benchmark Index can change over time.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

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: www.msci.com.

The performance tracked is that of the Benchmark Index's closing price.

The Benchmark Index is weighted by market capitalisation.

Benchmark Index publication

The official MSCI indices are calculated on a daily basis at closing prices using the official closing stock market prices for the constituent stocks.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, MSCI Limited, the administrator of the MSCI World Net Total Return benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the asset management company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and MSCI's rules for rebalancing the index are available on the Internet at www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments (“DFI”), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.

A ‘Benchmark Index event’ includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index’s performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund’s Benchmark Index.

- Currency risk of the Dist share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in the exchange rate may therefore cause the net asset value of these shares to decrease, even if the value of the Benchmark Index increases.

- Currency hedging risk of the Monthly Hedged to EUR – Acc and Monthly Hedged to USD – Dist share classes:

To hedge the EUR currency risk (respectively the US dollar risk) against the currency of each of the securities that make up the benchmark index for the Monthly Hedged to EUR – Dist shares (respectively for the Monthly Hedged USD – Dist shares), the Sub-fund will employ a hedging strategy that enables it to reduce the impact of a change in the exchange rate between the currency of each of the securities that make up the Benchmark Index and that of the relevant share class. However, given the monthly adjustment of the hedging and the hedging instruments employed this does not necessarily ensure zero exposure to adverse market movements that may decrease the net asset value of the share class. The cost of hedging currency risk will also decrease the net asset value of the Monthly Hedged EUR – Dist and Monthly Hedged USD – Dist shares.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors subscribing to this sub-fund are seeking exposure to international equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist, Monthly Hedged to EUR – Dist, and Monthly Hedged to USD – Dist share classes: The Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor MSCI World UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

The Monthly Hedged to EUR – Dist and Monthly Hedged to USD – Dist share classes employ a hedging mechanism that is rebalanced monthly, to reduce the impact of changes in the exchange rates of the currency of each of Benchmark Index's underlying securities and that of the relevant share class.

SHARE CLASS CURRENCY

| Currency | Dist share class | Monthly Hedged to EUR – Dist share class | Monthly Hedged to USD – Dist share class |
|----------|------------------|--|--|
| | EUR | EUR | USD |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 EUR (for shares denominated in euros) and for a minimum amount in USD that is equivalent to 100,000 euros (for shares that are denominated in USD).

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components

- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.05% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters and the EUR/USD exchange rate published by Reuters to convert the Benchmark Index price into EUR.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable, and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day

- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.30% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor MSCI Europe UCITS ETF (the "Fund") is in no way sponsored, approved, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either express or implied, to holders of the Fund's shares or, more generally, to the general public, concerning the merits of trading in the shares or units of investment funds in general or in the shares of this Fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;

- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 42: LYXOR MSCI EMERGING MARKETS UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class (EUR): FR0010429068

Acc share class (USD): FR0010435297

CLASSIFICATION

Global equities.

The Lyxor MSCI Emerging Markets UCITS ETF sub-fund (the "Sub-fund") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI Emerging Markets Net Total Return (with net dividends reinvested) index (the "Benchmark Index"), denominated in United States dollars (USD), while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is an equity index that is calculated and published by the global index provider MSCI.

The Benchmark Index is exclusively composed of emerging market equities and has the same basic characteristics as the MSCI indices, which include adjustment of the market capitalisation of stocks in the index based on their free float and classification by sector using the Global Industry Classification Standard (GICS).

The Benchmark Index provides exposure to the following 24 emerging equity markets (as of 31 January 2018): Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, South Africa, South Korea, Taiwan, Thailand, Turkey and United Arab Emirates.

The objective of the Benchmark Index is to represent 85% of the free float-adjusted market capitalisation of each group of industries in the emerging markets.

By targeting 85% representation for each industry group, the Benchmark Index reflects 85% of the entire market capitalisation of the emerging markets, while also mirroring the economic diversity of these markets.

The Benchmark Index is a Net Total Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, MSCI Limited, the administrator of the MSCI Emerging Markets Net Total Return benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The Benchmark Index's composition and MSCI's rules for its rebalancing are available on the internet at www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - their inclusion in major stock exchange indices or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty") will have no discretionary power over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Low Benchmark Index Diversification risk

The Benchmark Index to which investors are exposed covers a specific region, sector or investment strategy and therefore does not enable assets to be as broadly diversified as those of an index that is exposed to several regions, sectors or investment strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Emerging Market Risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies making up the Benchmark Index.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected. If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency different from the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Changes in exchange rates may therefore adversely affect the Sub-fund's Benchmark Index.

- Currency risk on the Acc share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in the exchange rate may therefore cause the net asset value of this share class to decrease, even if the value of the Benchmark Index increases.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors subscribing to this sub-fund are seeking exposure to emerging equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

N/A.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor MSCI Emerging Markets UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Acc share class |
|----------|-----------------|
| | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|----------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.55% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

| | | |
|---------------|-----------------|-----|
| Incentive fee | Net asset value | N/A |
|---------------|-----------------|-----|

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any entity involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the sub-fund or, more generally, to the general public, concerning the merits of trading in the shares of mutual funds in general or in shares of this sub-fund in particular or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 43: LYXOR JAPAN (TOPIX) (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class (EUR): FR0010245514

Dist share class (JPY): FR0010377028

Daily Hedged to EUR – Dist share class: FR0011475078

Daily Hedged to EUR – Acc share class: FR0011871045

CLASSIFICATION

Global equities.

The Lyxor Japan (Topix) (DR) UCITS ETF sub-fund (the “Sub-fund”) is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l’Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund’s investment objective is to replicate the performance, whether positive or negative, of the TOPIX® Gross Total Return (with gross dividends reinvested) index (the “Benchmark Index”) denominated in Japanese yen (JPY), while minimising the tracking error between the Sub-fund’s performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is an equity index calculated and published by the Tokyo Stock Exchange.

The Tokyo Stock Exchange, which is the main organised stock market in Japan, is divided into two Sections:

The First Section consists of the largest listed companies in terms of market capitalisation.

The Second Section is dedicated to companies with smaller capitalisations or which are recently listed.

The Benchmark Index comprises all Japanese stocks listed in the First Section of the Tokyo Stock Exchange. Each Benchmark Index component is weighted by its stock market capitalisation.

The Benchmark Index is therefore particularly representative of the Japanese economy since it is comprised of a significant number of companies which have the largest capitalisations in the market.

The Benchmark Index is a Gross Total Return index which means that the Benchmark Index’s performance includes the gross dividends paid by its underlying shares.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at <http://www.jpx.co.jp/english/>

The performance tracked is that of the Benchmark Index’s closing price in JPY.

Benchmark Index publication

The performance tracked is that of the Benchmark Index’s closing price.

The Benchmark Index closing price is available on the index provider’s website at <http://www.jpx.co.jp/english/>

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, the Tokyo Stock Exchange, the administrator of the TOPIX® Gross Total Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA’s register of benchmark administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index will be rebalanced whenever a Japanese firm enters or exits the First Trading section of the Tokyo Stock Exchange. The Benchmark Index is therefore not rebalanced periodically.

The exact composition of the Benchmark Index and the Tokyo Stock Exchange’s rules for rebalancing the index are available on the Internet at <http://www.jpx.co.jp/english/>

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ a direct replication method, which means that the Sub-fund will mainly invest in the securities that underlie the Benchmark Index.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by the Management Company, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative instrument financials (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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.

The Lyxor website at www.lyxoretf.com features a page dedicated to the Sub-fund, which among other things explains the direct index replication method selected, i.e. either full replication of the Benchmark Index or sampling to limit replication costs. 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 managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity 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 affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund will mainly be invested in the securities that make up the Benchmark Index.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivatives traded on a regulated market or over the counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 100%.

Expected proportion of assets under management for which securities financing transactions may be entered into: 10%.

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a subsidiary of the group of which Société Générale is a subsidiary and is therefore tied to the agent.

The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating costs.

These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating costs/charges and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.

Income from the lending of securities will be paid to the Sub-fund after deduction of the direct and indirect operating costs/charges borne by the Agent and possibly by the management company. Since these direct and indirect operating expenses do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating costs associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;

- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see section 7 on "Securities financing transactions"), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund's behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that (i) EPMT transactions may be entered into with Société Générale (which is a subsidiary of the same group as the Management Company) and/or (ii) that Société Générale may be appointed the Sub-fund's agent for EPMT.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index,
- iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk of the Dist share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore cause the net asset value of this share class to decrease, even if the value of the Benchmark Index increases.

- Currency hedging risk

To hedge the EUR/JPY currency risk on the Daily Hedged EUR – Dist and Daily Hedged EUR – Acc shares, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the Benchmark Index currency and that of the relevant share class. Given the daily implementation of this hedging and its imperfect nature, the Sub-fund may be exposed to adverse market movements and costs that reduce its net asset value.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to Japanese equity markets and more specifically to the financial performance of the largest Japanese stocks.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist, Daily Hedged to EUR - Dist and Daily Hedged to EUR – Acc share classes: The Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

Daily Hedged to EUR – Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor Japan Topix (DR) UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

The Daily Hedged to EUR – Dist and Daily Hedged to EUR – Acc share classes employ a hedging mechanism that is rebalanced daily, to reduce the impact of changes in the exchange rates of the currency of each of the Benchmark Index's underlying securities and the currency in which the shares are denominated

SHARE CLASS CURRENCY

| Currency | Dist share class | Daily Hedged to EUR share class – Dist | Daily Hedged to EUR share class – Acc |
|----------|------------------|--|---------------------------------------|
| | EUR | EUR | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a “Primary Market Day”) and will be executed at the net asset value on the following Primary Market Day, hereinafter the “reference NAV”. Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may have to pay more than the indicative net asset value when they purchase shares or units, and may receive less than the indicative net asset value when they sell their shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value provided by Reuters and the EUR/USD exchange rate provided by Reuters (the Reuters exchange rate for conversion into EUR and the WM Reuters fixing rate) to convert the Benchmark Index level into EUR

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable, and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | For the Dist share class: Maximum of 0.03%* For the Daily Hedged to EUR – Dist and Daily Hedged to EUR – Acc share classes: Maximum 0.05%* |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | For the Dist share class: Maximum of 0.03%* For the Daily Hedged to EUR – Dist and Daily Hedged to EUR – Acc share classes: Maximum 0.05%* |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

* The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund
- direct and indirect costs/charges of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|--|--|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.45% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |
| Direct and indirect costs/charges of securities financing transactions | The amount of income from these transactions | 20% for the Management Company 15% for the Agent. |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The TOPIX® Gross Total Return index and the TOPIX® trademarks are subject to the intellectual property rights of the Tokyo Stock Exchange, Inc., which owns all rights in relation to the TOPIX® Gross Total Return index including the calculation, publication and use of the TOPIX® Gross Total Return index and in relation to the TOPIX® trademarks. The Tokyo Stock Exchange, Inc. shall reserve the rights to change the methods of calculation or publication, to cease the calculation or publication of the TOPIX® Gross Total Return index or to change the TOPIX® trademarks or cease the use thereof. The Tokyo Stock Exchange, Inc. makes no warranty or representation whatsoever, either with regard to the results to be obtained from the use of the TOPIX® Gross Total Return index and the TOPIX® trademarks or with regard to the value of the TOPIX® Gross Total Return index at a given date. The Tokyo Stock Exchange, Inc. gives no assurance regarding the Accuracy or completeness of the TOPIX Index Value and the data contained therein. Furthermore, the Tokyo Stock Exchange, Inc. shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX Index Value. Products under TOPIX® licence do not receive any form of sponsorship, support or promotion from Tokyo Stock Exchange, Inc. Tokyo Stock Exchange, Inc. is under no obligation to provide explanations on products under TOPIX® licence or investment advice either to purchasers TOPIX® licensed products or to the public. The Tokyo Stock Exchange, Inc. neither selects specific stocks or groups thereof nor takes into account any needs of the issuing company or any purchaser of the Products, for calculation of the TOPIX Value Index. Including but not limited to the foregoing, the Tokyo Stock Exchange, Inc. shall not be responsible for any damage resulting from the issue and sale of the Products.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in JPY.

SUB-FUND NO. 44: LYXOR CAC 40 (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0007052782
J-EUR share class: FR0011122233
Acc share class: FR0013380607

CLASSIFICATION

French equities

The Lyxor CAC 40 (DR) UCITS ETF sub-fund (the "Sub-fund") is continuously at least 60% exposed to the French equities market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and will be established on 5 September 2019.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the CAC 40 GROSS TOTAL RETURN (with gross dividends reinvested) index (the "Benchmark Index"), denominated in euros, while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

The Benchmark Index is a free-float market capitalisation-weighted index that measures the performance of the 40 largest stocks listed on the Euronext Paris market. The index constituents are selected for their large market capitalisation, sector representativeness and high trading volume. The Benchmark Index is the main benchmark for the Paris stock market and its share prices are highly correlated with the overall market.

The Benchmark Index is a Gross Total Return index which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com: The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The closing price of the Benchmark Index is available on the Internet at www.ftse.com: <https://www.euronext.com/>

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, Euronext, the administrator of the CAC 40 GROSS TOTAL RETURN benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and Euronext's rules for revising its composition are available at <https://www.euronext.com/>

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ a direct replication method, which means that the Sub-fund will invest in the securities that underlie the Benchmark Index.

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French monetary and financial code and in particular temporarily dispose of securities subject to the requirements explained below.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative instrument financials (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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 managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The Sub-fund is eligible for Equity Savings Plans (PEA). The Sub-fund will always comply with the asset constraints allowing it to be included in PEAs, namely the investing of more than 75% of its assets in shares of companies whose registered offices are in a European Union Member State, or in another State that is a party to the Agreement on the European Economic Area that has signed a tax treaty with France that contains an administrative assistance clause aimed at combating fraud and tax evasion.

The Sub-fund may be used as a vehicle for unit-linked life insurance policies.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may hold financial instruments of any kind, in compliance with regulatory ratios.

The Sub-fund will invest mainly in the equities that make up the Benchmark Index.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative instrument financials (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 10% of the Sub-fund's assets

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a subsidiary of the group of which Société Générale is a subsidiary and is therefore tied to the agent.

The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating costs. These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating costs/charges and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.

Income from the lending of securities will be paid to the Sub-fund after deduction of the direct and indirect operating costs/charges borne by the Agent and possibly by the management company. Since these direct and indirect operating expenses do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating costs associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund for securities lending and repo transactions. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

Pursuant to the terms of the contract signed with the Agent (see section 7 on “Securities financing transactions”), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund’s behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company’s Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company’s relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company’s Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company’s senior management and/or to the Société Générale group’s Risk department.

RISK PROFILE

The shareholder’s money will be invested mainly in the financial instruments that comprise the Benchmark Index selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer’s risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor’s capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund’s liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares or units may deviate from the Sub-fund’s indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index’s underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund’s indicative net asset value
- iv) a market maker fails to comply with an exchange’s rules
- v) an exchange’s IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund’s ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund’s total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund’s counterparty to an efficient portfolio management technique (hereinafter “EPMT”) defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that (i) EPMT transactions may be entered into with Société Générale (which is a subsidiary of the same group as the Management Company) and/or (ii) that Société Générale may be appointed the Sub-fund’s agent for EPMT.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund's Acc and Dist shares are available to all investors.

J-EUR shares are available to all investors but are more specifically intended for institutional investors.

Investors in this Sub-fund are seeking exposure to the French equity market.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist and J-EUR share classes: The Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Dist, Acc and J-EUR class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor CAC 40 (DR) UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| Currency | Dist share class | J-EUR share class | Acc share class |
|----------|------------------|-------------------|-----------------|
| | EUR | EUR | EUR |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each Trading Day (as defined below), provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- c) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

The share prices of the stocks included in the Benchmark Index used to calculate the level of the Benchmark Index, and therefore to evaluate the iNAV, are provided to Reuters by the stock exchanges on which the Benchmark Index constituents are traded.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- d) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | 0.50% ⁽¹⁾ |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | 0.02% ⁽¹⁾ |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

(1) The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depository or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund
- direct and indirect costs/charges of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|--|--|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net asset value | 0.25% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net asset value | N/A |
| Direct and indirect costs/charges of securities financing transactions | The amount of income from these transactions | 20% for the Management Company 15% for the Agent. |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

LYXOR CAC 40 (DR) UCITS ETF is not, in any way whatsoever, sponsored, supported, promoted or marketed by Euronext or its subsidiaries (hereinafter "Euronext") (collectively referred to as the "Licensors").

The Licensors assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the CAC 40 GROSS TOTAL RETURN index (hereinafter "the index") and/or the level of said Index at any given time or day, or of any other type. The Index is calculated by or in the name of Euronext. The Licensors disclaim all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and shall not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 45: LYXOR EURO STOXX 50 (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0007054358
J-EUR share class: FR0011554260
K-EUR share class: FR0011554286
Acc share class: FR0012399822
Daily Hedged to USD – Dist share class: FR0012399749
Daily Hedged to GBP – Dist share class: FR0012399756
Daily Hedged to CHF – Dist share class: FR0012399764
Daily Hedged to USD – Acc share class: FR0012399806
Daily Hedged to GBP – Acc share class: FR0012399772
Daily Hedged to CHF – Acc share class: FR0012399731

CLASSIFICATION

Eurozone country equities.

The Lyxor Euro Stoxx 50 (DR) UCITS ETF sub-fund (the “Sub-fund”) continuously maintains at least 60% exposure to one or more of the equity markets of one or more eurozone countries, which may include France.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l’Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund’s investment objective is to replicate the performance, whether positive or negative, of the EURO STOXX 50® NET RETURN index, (with net dividends reinvested) index (the “Benchmark Index”), denominated in euros and representative of 50 eurozone blue chips stocks, while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is a subset of the EURO STOXX index. It is composed of the eurozone’s 50 largest stocks, which are selected on the basis of their market capitalisation, high liquidity and representativeness of an economic sector. The Benchmark Index seeks to weight these equities by country and by economic sector such that they reflect the structure of the eurozone’s economy as faithfully as possible.

Benchmark Index publication

The Benchmark Index’s composition is revised annually.

The Benchmark Index is a Net Return index which means that the Benchmark Index’s performance includes the net dividends paid by its underlying shares.

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 <http://www.stoxx.com/indices>

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, STOXX, the administrator of the EURO STOXX 50® NET RETURN benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA’s register of benchmark administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The performance tracked is that of the Benchmark Index’s closing price.

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

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ a direct replication method, which means that the Sub-fund will mainly invest in the securities that underlie the Benchmark Index.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by the Management Company, may decide to employ a “sampling” technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund may also, on an ancillary basis, engage in transactions involving derivative instrument financials (DFI). These transactions could for example be futures contracts on indices and/or swaps for hedging purposes and in particular to minimise the Sub-fund's tracking error.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index 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 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. 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.

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity 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 affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund will mainly be invested in the securities that make up the Benchmark Index.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivatives traded on a regulated market or over the counter.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25%.

Expected proportion of assets under management for which securities financing transactions may be entered into: 10%.

For this purpose, the Management Company will appoint Société Générale as its intermediary (hereinafter the "Agent") to provide the following services in connection with the Sub-fund's temporary disposals of securities. If such an Agent is used it may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

It should be noted that the Management Company is a subsidiary of the group of which Société Générale is a subsidiary and is therefore tied to the agent.

The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating costs.

These operating costs/charges, which are incurred to manage the portfolio more efficiently, may be borne by the Sub-fund's management company, the Agent and/or other intermediaries that are involved in these transactions.

These direct and indirect operating costs/charges will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating costs/charges and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.

Income from the lending of securities will be paid to the Sub-fund after deduction of the direct and indirect operating costs/charges borne by the Agent and possibly by the management company. Since these direct and indirect operating expenses do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating costs associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION

Pursuant to the terms of the contract signed with the Agent (see section 7 on "Securities financing transactions"), the Management Company will select eligible counterparties for securities financing transactions on the basis of the criteria indicated below and will provide Société Générale with a list of these counterparties.

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when it enters into financial contracts (securities financing transactions) on the Sub-fund's behalf. Counterparties for securities financing transactions and financial intermediaries are selected from among well-known and reputable intermediaries using a rigorous process that involves several criteria for assessing the quality of research services (e.g. fundamental financial analysis, information on companies, added value of staff, and the reliability of recommendations) or of execution services (e.g. access to markets and information, transaction costs, execution price, and the settlement of transactions).

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorised counterparties is reviewed monthly and possibly more frequently in the event of a market shock. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties and intermediaries thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that (i) EPMT transactions may be entered into with Société Générale (which is a subsidiary of the same group as the Management Company) and/or (ii) that Société Générale may be appointed the Sub-fund's agent for EPMT.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may be much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency hedging risk of the Daily Hedged to USD – Acc and Dist share classes

To hedge the USD/EUR currency risk on the Daily Hedged to USD – Dist and Daily Hedged to USD – Acc share classes, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the Benchmark Index currency and the share class currency. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to USD – Dist and Daily Hedged to USD – Acc share classes may be exposed to adverse market movements and costs that reduce their net asset value.

- Currency hedging risk of the Daily Hedged to GBP – Acc and Dist share classes

To hedge the GBP/EUR currency risk on the Daily Hedged to GBP – Dist and Daily Hedged to GBP – Acc share classes, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the Benchmark Index currency and the share class currency. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to GBP – Dist and Daily Hedged to GBP – Acc share classes may be exposed to adverse market movements and costs that reduce their net asset value.

- Currency hedging risk of the Daily Hedged to CHF – Acc and Dist share classes

To hedge the CHF/EUR currency risk on the Daily Hedged to CHF – Dist and Daily Hedged to CHF – Acc share classes, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the Benchmark Index currency and the share class currency. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to CHF – Dist and Daily Hedged to CHF – Acc share classes may be exposed to adverse market movements and costs that reduce their net asset value.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

The J-EUR and K-EUR share classes are intended for institutional investors, which must initially invest at least 100,000 euros.

K-EUR and J-EUR class shareholders must hold at least 100,000 euros worth of shares at each Net Asset Value date or redeem all of their K-EUR and/or J-EUR shares.

Investors in this Sub-fund are seeking exposure to eurozone equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Dist, K-EUR, J-EUR, Daily Hedged to USD – Dist, Daily Hedged to GBP – Dist and Daily Hedged to CHF – Dist share classes: The Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

Acc share class, Daily Hedged to USD - Acc, Daily Hedged to GBP - Acc and Daily Hedged to CHF - Acc: All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor Euro Stoxx 50 (DR) UCITS ETF.

Subscription orders must be placed for a whole number of shares.

Only a whole number of shares may be redeemed.

The Daily Hedged share classes employ a hedging mechanism that is rebalanced daily, to reduce the impact of changes in the exchange rates between the currency of each of the Benchmark Index's underlying securities and the share class currency.

SHARE CLASS CURRENCY

| Currency | Dist share class | J-EUR share class | K-EUR share class | Acc share class | Daily Hedged to USD – Dist share class | Daily Hedged to GBP – Dist share class | Daily Hedged to CHF – Dist share class | Daily Hedged to USD – Acc share class | Daily Hedged to GBP – Acc share class | Daily Hedged to CHF – Acc share class |
|----------|------------------|-------------------|-------------------|-----------------|--|--|--|---------------------------------------|---------------------------------------|---------------------------------------|
| | EUR | EUR | EUR | EUR | USD | GBP | CHF | USD | GBP | CHF |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depository from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders

to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros (for shares denominated in euros), for a minimum amount in USD that is equivalent to 100,000 EUR (for shares denominated in USD), for a minimum amount in CHF that is equivalent to 100,000 EUR (for shares denominated in CHF) and for a minimum amount in GBP that is equivalent to 100,000 EUR (for shares denominated in GBP).

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in EUR.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund is traded is open and that the orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the management company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a permanent presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time the following Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

- b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the management company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|--|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the sub-fund | NAV per share × number of shares | 0.50%* |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the sub-fund | NAV per share × number of shares | <p>For share classes Dist, J-EUR, K-EUR and Acc: 0.015%*</p> <p>For share classes Daily Hedged to USD – Dist, Daily Hedged to GBP – Dist, Daily Hedged to CHF – Dist, Daily Hedged to USD – Acc, Daily Hedged to GBP – Acc and Daily Hedged to CHF - Acc: 0.04%*</p> |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

* The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund
- direct and indirect costs/charges of securities financing transactions

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|---|--|--|
| Investment management and administrative fees that are external to the management company, including tax ⁽¹⁾ | Net assets | 0.20% per annum |
| Maximum indirect charges (management charges and fees) | Net assets | N/A |
| Account activity charge | Charge on each transaction | N/A |
| Incentive fee | Net assets | N/A |
| Direct and indirect costs/charges of securities financing transactions | The amount of income from these transactions | 20% for the Management Company 15% for the Agent. |

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no other relationship with the licence-holder than the licence that was granted for the EURO STOXX 50® NET RETURN index and the associated registered trademarks which may be used in conjunction with the Sub-fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the Sub-fund's shares, which they also refrain from marketing or promoting
- make no investment recommendation whatsoever in respect of the Sub-fund or in respect of any other securities whatsoever.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the Sub-fund's shares and make no decisions in relation to this
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the Sub-fund.
- have no obligation to take into consideration the needs of the Sub-fund or of its shareholders when determining, constructing or calculating the EURO STOXX 50® NET RETURN index.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17 Cours Valmy - 92987 Paris La Défense France.
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 46: LYXOR PEA OBLIGATIONS D'ÉTAT EURO UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODES

Acc share class: FR0013346681
Dist share class: FR0013346673

INCEPTION DATE

The Sub-fund was approved by the Autorité des Marchés Financiers on 7 August 2018.
It was established on 17 December 2018.

INVESTMENT OBJECTIVE

The Sub-fund's objective is to replicate the performance, whether positive or negative, of the FTSE MTS Eurozone Government Bond IG (Mid Price) Index (Ex-CNO Etrix) (the "**Benchmark Index**") denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.5%.

BENCHMARK INDEX

The Benchmark Index is a "Total Return" index (i.e. all coupons detached by the Benchmark Index constituents are reinvested in the Benchmark Index).

The Benchmark Index is composed of bonds issued by the governments of the eurozone countries, weighted by country and representing a full spectrum of maturities.

To be eligible for inclusion in the Benchmark Index, bonds must meet the following criteria:

- (i) They must pay a fixed rate of interest on a principal amount that will be fully repaid upon maturity, be denominated in euros, be non-convertible and incorporate no options.
- (ii) They must have been issued by a Eurozone member state selected by FTSE MTS from the list of countries having been attributed an Investment Grade credit rating by at least two of the three credit rating agencies, Standard & Poor's, Moody's and Fitch.
- (iii) They must be traded on the MTS platform.
- (iv) The minimum bond issuance size is two billion euros.

The performance tracked is that of the Benchmark Index's closing price at 5:15 pm CET.

Benchmark Index publication

The Benchmark Index's closing price is available on the Internet at <http://www.ftserussell.com/>.

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE TMX Global Debt Capital Markets Inc., the administrator of the FTSE MTS Eurozone Government Bond IG (Mid Price) Index (Ex-CNO Etrix) benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the Benchmark Index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index's composition is revalued and rebalanced monthly.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at <http://www.ftserussell.com/>.

The frequency of rebalancing does not affect the cost of implementing the investment strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities will be mainly global equities, in all economic sectors and listed in all markets, including small-cap exchanges.

The Sub-fund will at all times invest at least 75% of its assets in the equities of companies with head offices in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans..

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of ‘balance sheet’ assets in the Sub-fund’s portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund accessible on Lyxor’s website at www.lyxoretf.com. 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.

Up to 20% of the Sub-fund’s assets may be exposed to debt issued by a given OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, exposure to securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund is exposed to at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD member state, the local authorities of a European Union member state or a country that is a member of the European Economic Area. The above-mentioned securities must be financial instruments issued or guaranteed by a Member State of the OECD, a local authority of a Member State of the European Union or of a country that is a party to the Agreement on the European Economic Area.

| | |
|--|--|
| Sub-fund’s targeted interest-rate sensitivity | Between 5 and 10 |
| Currency of the securities to which the Sub-fund is exposed: | EUR: from 0% to 100% of net assets Other: from 0% to 100% of net assets. |
| Currency risk to which the Sub-fund is exposed: | 10% maximum of net assets. |
| Geographic regions of the issuers of the securities to which the Sub-fund is exposed | Eurozone: 0% to 100% of net assets Emerging countries: 0% to 100% of net assets |

The asset manager by delegation currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In compliance with the ratios indicated in the applicable regulations, the Sub-fund may invest in global equities in all economic sectors and listed on all exchanges including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - 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 Art. R.214-21 of the French Monetary and Financial Code)
 - geographic
 - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor’s website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities (“UCITS”) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund’s net assets. The Sub-fund may invest in the shares of UCITS managed by the management company or by a company that is related to the management company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund’s management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund’s assets (or the value of any other financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100% of assets under management.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100% of assets under management.

To optimise the Sub-fund’s management and achieve its investment objective, the manager reserves the right to use derivative financial instruments, other than index-linked swaps, in compliance with regulations.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the derivative financial instruments referred to above (the Counterparty”) will have no discretionary power over the composition of the Sub-fund’s portfolio or over the underlying assets of the derivative instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company’s conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depository.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Temporary purchases and disposals of securities

N/A. The manager shall not engage in any temporary purchases or sales of securities.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depository. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price.
- (b) Collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied.
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance.
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) The Sub-fund's management company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organization to which one or more Member States belong; and
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) the shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset;
- the collateral's maturity (if applicable);
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorized institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries and in particular when entering into total return swap contras on the Sub-fund's behalf.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are eligible for selection. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale Group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Interest rate risk

The price of a bond or other debt security is affected by changes in interest rates. The price of most debt securities increases when interest rates decline and decreases when interest rates rise. Bonds with relatively long maturities (which is the case of those in the Benchmark Index) are more sensitive to changes in interest rates and are therefore more volatile investments than debt securities with shorter maturities.

- Credit risk

The Sub-fund could be adversely affected by a lowering of the credit rating of one or more issuers of a bond in the Benchmark Index. This could mean a higher risk that such an issuer might default and could decrease the bond's value.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Currency risk associated with listing exchanges

The Sub-fund may be listed on an exchange or multilateral trading facility in a currency that is not the currency of the Benchmark Index. Investors who purchase shares in the Sub-fund in a currency that is not that of the Benchmark index are exposed to currency risk. As a result, due to changes in exchange rates the value of an investment that is made in a currency other than that of the Benchmark Index may decrease even though the value of the Benchmark Index increases.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments:

In order to achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to replicate the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk due to a change in tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the Sub-fund's tax treatment. As a result, in case of a discrepancy between the estimated and effective tax treatment applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the net asset value of the Sub-fund may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected. If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk involving a Benchmark Index constituent

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument or transaction based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in this Sub-fund are seeking exposure to the performance, whether positive or negative, of the investment grade eurozone bond segment.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are reinvested.

Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of income in one or more annual distributions. Net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute all or part of the distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

CURRENCY

| Currency | Acc share class | Dist share class |
|----------|-----------------|------------------|
| | Euro | Euro |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary until 4:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**") and will be executed at the net asset value of that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption requests submitted after 4:00pm (Paris time) on a Primary Market Day will be processed as requests received before 4:00pm (Paris time) on the following Primary Market Day. Orders for subscriptions / redemptions must be for a whole number of shares and represent at least EUR 100,000.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Delivery and settlement of subscriptions and redemptions will be made within French five business days after the subscription/redemption requests are received.

Registrar and transfer agent by delegation from the management company:
SOCIÉTÉ GÉNÉRALE - 32, rue du Champ de Tir - 44000 Nantes – France

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund is traded is open and that the orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The Sub-fund's net asset value is denominated in euros.

1. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be allowed, subject to the conditions set forth below, to redeem their shares on the primary market directly from the Sub-fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "*SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)*".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "*SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)*", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) **If the Sub-fund's units are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules**

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum global spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- The Market Maker's obligations will be suspended if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish the Sub-fund's indicative net asset value (hereinafter the "iNAV") during trading hours every Trading Day (as defined below) (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with theoretical value calculated by Euronext.

The iNAV will be calculated each day that the net asset value is normally calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com

b) If the Sub-fund's units are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|---|------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per unit × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per unit × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per unit × number of shares | The higher value of either EUR 50,000 per redemption request or 5% of payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per unit × number of shares | N/A |

No subscription/redemption fee will be charged when shares are purchased/sold on an exchange where the Sub-fund shares are listed.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees (brokerage, stock market taxes etc.) and any account activity charge that may be charged, generally by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- Incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|---|----------------------------|-----------------------|
| Asset management fees and administration fees that are external to the management company (1) | Net asset value | 0.40% per annum |
| Maximum indirect charges (management charges and fees) | Net asset value | N/A |
| Account activity charge | Charge on each transaction | N/A |
| Incentive fee | Net asset value | N/A |

(1) Include all fees/expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by FTSE TMX Global Debt Capital Markets Inc. FTSE TMX Global Debt Capital Markets Inc. cannot be held liable for the promotion or marketing of the Sub-fund. FTSE MTS and the FTSE MTS index names (FTSE MTS Index™) and FTSE MTS indices (FTSE MTS Indices™) are registered trademarks of FTSE TMX Global Debt Capital Markets Inc. The FTSE MTS indices are calculated by FTSE TMX Global Debt Capital Markets Inc. and are marketed and distributed by MTSNext, a subsidiary of FTSE TMX Global Debt Capital Markets Inc.
Neither FTSE TMX Global Debt Capital Markets Inc. nor MTSNext can be held responsible or liable for any loss or damages of any type whatsoever (including, in particular, investment losses) in connection, in whole or in part, with the Sub-fund or with the provision of the FTSE MTS Eurozone Government Bond IG (Mid Price) Index (Ex-CNO Etrix), sub-indices or registered trademarks.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders must be sent to the Depositary by the investor's financial intermediary.

The Multi Units France prospectus fund, the Key Investor Information Document and the most recent annual reports will be sent to investors within eight business days upon written request to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
Cours Valmy - 92987 Paris La Défense France.
e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L.214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R.214-21 to R.214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R.214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R.214-22-I, which deals with index-tracking funds. Pursuant to Article R.214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the above, exposure to securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund is exposed to at least six issues of which none exceeds 30% of assets. The above-mentioned securities must be financial instruments issued or guaranteed by a Member State of the OECD, a local authority of a Member State of the European Union or of the Agreement on the European Economic Area.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the Fund's overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Temporary purchases and disposals of securities are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.

Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.

The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded in the initial cost of the transaction.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled " Calculation and Allocation of Distributable amounts "

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 47: LYXOR MSCI GREECE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010405431

NAME

Lyxor MSCI Greece UCITS ETF (the "**Sub-fund**").

CLASSIFICATION

Eurozone equities.

The Sub-fund will continuously maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, and possibly to the French equity market.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by the l'Autorité des marchés financiers le 29/03/2019 and was established on 9 May 2019.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI Greece IMI + Coca-Cola 20-35 Net Total Return Index denominated in EUR (the "**Benchmark Index**"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected tracking error, monitored ex-post under normal market conditions is 0.3%.

BENCHMARK INDEX

Description

The Benchmark Index is a "net dividends reinvested" index, which means that the Benchmark Index's performance includes the dividends paid by its underlying shares.

The Benchmark Index is an equity index weighted by market capitalization and adjusted for free-float. It is calculated and published by the international index provider MSCI Inc.

It is composed of the equities of companies that are domiciled and/or listed in Greece and which MSCI Limited classifies as small-cap, mid-cap or large-cap on the basis of its criteria. The Benchmark Index is representative of the stock-market performance of companies that are domiciled and/or listed in Greece. It accounts for approximately 99% of the free-float adjusted market capitalisation of the universe of companies that are domiciled and/or listed in Greece.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

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 www.msci.com

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index composition and revision

The Benchmark Index is revised quarterly.

The exact composition of the Benchmark Index and the rules for index composition revision are available on the Internet at www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The value of the Benchmark Index and the list of its constituents are available on MSCI's website at www.msci.com.

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is calculated in real time every stock exchange trading day.

The Benchmark Index is available through Reuters and Bloomberg.

The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the index administrator MSCI Limited, is registered in ESMA's register of benchmark index administrators.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in the Sub-fund's portfolio may include those that make up the Benchmark Index and other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies that have their head office in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including "small-cap" exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

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.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with the Directive is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the components of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses

that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

The counterparty to the aforementioned derivative instruments (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (f) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (g) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (h) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (i) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (j) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (vii) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (viii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (ix) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (x) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (xi) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (xii) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the accrued interest at any time;

- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. a TRS or an EPMT), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equities are more volatile than Fixed Income markets where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also adversely affect share subscription, conversion and redemptions.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to the risk that a counterparty with which the Sub-fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The Sub-fund is mainly exposed to counterparty risk resulting from the use of derivative financial instruments (DFI) traded over the counter with Société Générale or some other counterparty. In compliance with UCITS regulations, exposure to counterparty risk (whether the counterparty is Société Générale or another entity), cannot exceed 10% of the Sub-fund's total assets per counterparty.

- Operational risk

The Sub-fund could be exposed to the operational risk of processing deficiencies or errors on the part of the various parties involved in managing the collateral for securities financing transactions and/or total return swaps (TRS). This risk arises only when managing collateral for securities financing transactions and/or total return swaps (TRS).

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) agreement as indicated in EU Regulation No. 2015/2365.

- Emerging Market Risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, since there is no asset or financial instrument that enables the continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund may enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These derivatives involve various risks, such as counterparty risk, hedging disruption, index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. In such an event, a discrepancy between the Sub-fund's estimated taxation and the taxation that is actually applied to the Sub-fund (and/or to its DFI counterparty) may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Low Benchmark Index diversification risk

Since the index to which investors are exposed represents a given region, sector and strategy it may provide less diversification of assets in comparison with a broader Benchmark Index that is exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than in more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Risk of investing mid-cap companies:

The Sub-fund is exposed to medium-capitalisation companies and more specifically to the equity securities of medium and intermediate size 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-capitalisation equities.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to the performance of the Greek "equity" market, whether positive or negative.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CURRENCY

Euro

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

The Management Company reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions.

DISTRIBUTION FREQUENCY

If a distribution is decided, the management company reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Only a whole number of shares may be redeemed.

SUBSCRIPTION AND REDEMPTION

1/ SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 3:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption orders submitted after 3:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 3:30 pm (Paris Time) on the following Primary Market Day.. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of Net Asset Value calculation.

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2/ PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their units on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) **IF THE SUB-FUND'S SHARES ARE LISTED ON EURONEXT PARIS, AS INDICATED IN THE "KEY INFORMATION" SECTION, INVESTORS SHOULD NOTE THE FOLLOWING RULES:**

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French Monetary and Financial Code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

Indicative net asset value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type units is also available in the "Term Sheets" section of the Lyxor's website at www.lyxoretf.com.

b) IF THE SUB-FUND'S SHARES ARE LISTED ON AN EXCHANGE OTHER THAN EURONEXT PARIS (AS INDICATED IN THE "KEY INFORMATION" SECTION) INVESTORS SHOULD NOTE THE FOLLOWING

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|---|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 10% of the net asset value per share multiplied by the number of shares subscribed, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|-----------------------|
| Asset management fees and administrative fees that are external to the management company (auditor, depositary, fund distribution and legal fees) ⁽¹⁾ | Net asset value | 0.45% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

⁽¹⁾ Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "**U.S. Securities Act**") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "Investment Company Act"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "U.S. Person" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 17, cours Valmy - 92987 Paris La Défense CEDEX - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the exclusive property of MSCI and the MSCI indices are trademarks of MSCI or its subsidiaries and have been licensed, for certain needs, to Lyxor International Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares of mutual funds in general or in shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com

Prospectus publication date: See the "Publication Date" section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Sub-fund's annual report. The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I of the French monetary and financial code, which deals with index-tracking funds. Pursuant to Article R214-22 II of the French monetary and financial code, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.

- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.

The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 48: Lyxor MSCI India UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc-(EUR) share class: FR0010361683

Acc-(USD) share class: FR0010375766

NAME

Lyxor MSCI India UCITS ETF (the "**Sub-fund**").

CLASSIFICATION

Global equities

The Sub-fund is continuously at least 60% exposed to at least one foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by the l'Autorité des marchés financiers le 29/03/2019 and was established on 9 May 2019.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI India Net Total Return Index (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected tracking error, monitored ex-post under normal market conditions is 0.1%.

BENCHMARK INDEX

The Benchmark Index is a "net dividends reinvested" index, which means that the Benchmark Index's performance includes the dividends paid by its underlying shares.

The Benchmark Index is an equity index weighted by market capitalization and adjusted for free-float. It is calculated and published by the international index provider MSCI Inc.

The Benchmark Index is composed exclusively of mid-cap and large-cap Indian equity securities and features the basic characteristics of MSCI indices, which include free-float adjustment of the market capitalisation of the Benchmark Index constituents and sector classification in accordance with the Global Industry Classification Standard (GICS).

The Benchmark Index seeks to represent 85% of the free-float adjusted market capitalisation of each major industry group in the Indian market.

By targeting 85% representation for each industry group, the Benchmark Index accounts for 85% of the total market capitalisation of the Indian market, while also representing its economic diversity.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com.

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index composition and revision

The Benchmark Index is revised quarterly.

The exact composition of the Benchmark Index and MSCI's rules for rebalancing the index are available on the Internet at www.msci.com www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The value of the Benchmark Index and the list of its constituents are available on MSCI's website at www.msci.com.

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is calculated in real time every stock exchange trading day.

The Benchmark Index is available through Reuters and Bloomberg.

The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, MSCI Limited, the administrator of the MSCI India Net Total Return benchmark index, is registered in ESMA's register of benchmark index administrators.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators. Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in the Sub-fund's portfolio may include those that make up the Benchmark Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

eligibility criteria and in particular:

- their inclusion in a major stock exchange index or in the Benchmark Index
- liquidity (must exceed a minimum daily trading volume and market capitalisation)
- 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, and in particular with respect to:

- the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
- geographic
- sector

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

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use derivative instruments and in particular OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow cash to a maximum of 10% of its net asset value, mainly in order to optimise its cash management.

7. Securities financing transactions

N/A. The Sub-fund shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong;

such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. a TRS or an EPMT), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- **Equity risk**

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- **Emerging Market Risk**

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- **Counterparty risk**

The Sub-fund is exposed to the risk that a counterparty with which the Sub-fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The Sub-fund is in particular exposed to counterparty risk resulting from the use of derivative financial instruments (DFI) traded over the counter with Société Générale or some other counterparty. In compliance with UCITS regulations, exposure to counterparty risk (whether the counterparty is Société Générale or another entity), cannot exceed 10% of the Sub-fund's total assets per counterparty.

- **Capital risk**

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- **Liquidity risk (primary market)**

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- **Low Benchmark Index diversification risk**

The Benchmark Index to which investors are exposed applies to a specific region, sector or strategy, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- **Liquidity risk (secondary market)**

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- **Risk that the investment objective is only partially achieved**

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- **Risk of using derivative financial instruments**

In order to secure the Benchmark Index returns and achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These derivatives involve various risks, such as counterparty risk, hedging disruption, index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

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- **Operational risk**

The Sub-fund could be exposed to the operational risk of processing deficiencies or errors on the part of the various parties involved in managing the collateral for securities financing transactions and/or total return swaps (TRS). This risk arises only when managing collateral for securities financing transactions and/or total return swaps (TRS).

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) agreement as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. In such an event, a discrepancy between the Sub-fund's estimated taxation and the taxation that is actually applied to the Sub-fund (and/or to its DFI counterparty) may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

A planned corporate action that has an impact on one of the Benchmark Index's underlying equities may be unexpectedly modified or terminated and thus have a quite different impact from that initially expected on the basis of the official announcement. Since the Sub-fund's valuation of this corporate action is based on this initial announcement, an unexpected change could adversely affect the Sub-fund's net asset value. The Sub-fund's performance may also deviate from that of the Benchmark Index if the Sub-fund's treatment of the corporate action differs from the treatment specified in the Benchmark Index's methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

- Currency risk of the Acc-(EUR) share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore cause the net asset value of this share class to decrease, even if the value of the Benchmark Index increases.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to the “Indian equity” market.

The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CURRENCY

| | | |
|----------|------------------------|-----------------------|
| Currency | Acc (EUR) share class: | Acc (USD) share class |
| | Euro | USD |

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

For the Acc (EUR) and Acc (USD) share classes: All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Only a whole number of shares may be redeemed.

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund’s net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a “Primary Market Day” and will be executed at the net asset value on the following Primary Market Day, hereinafter the “reference NAV”. Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:

Acc (EUR) share class:

pm (Paris time) on the following Primary Market Day. The Acc share class Orders for subscriptions / redemptions must be for a whole number of shares and represent at least EUR 100,000.

Acc (USD) share class:

Orders for subscriptions / redemptions must be for a whole number of shares and represent the USD equivalent at least EUR 100,000.

Subscriptions/redemptions in cash:

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days after the subscription or redemption order is executed.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund’s shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund’s net asset value is calculated using the Benchmark Index’s closing price.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund’s shares differs significantly from its indicative net asset value, or if trading in the fund’s shares is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled “SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)”.

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange’s IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund’s shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index’s components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund’s share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares. B

B. SPECIFIC PROVISIONS

- a) **If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:**

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 "Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French Monetary and Financial Code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

the Benchmark Index is no longer traded or calculated

if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages that specifically concern the share class. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoret.com

- b) **If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following**

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|---|-------------------------------------|---|
| Subscription fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share x number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share x number of shares | The higher value of either EUR 50,000 per redemption order or 5% payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share x number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below) :

- Incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|-----------------------|
| Asset management fees and administrative fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax(1) | Net asset value | 0.85% annual |
| Incentive fee | Net asset value | N/A |
| Account activity charge | Charged on each transaction | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District of Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "Investment Company Act"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "U.S. Person" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis. Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France. The net asset value of each of the Sub-fund's share classes will be calculated and published each Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the exclusive property of MSCI and the MSCI indices are trademarks of MSCI or its subsidiaries and have been licensed, for certain needs, to Lyxor International Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any representation or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares or units of investment funds in general or in the shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES

GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the management company's website and in the Sub-fund's annual report. The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection. This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-1 of the French monetary and financial code, which deals with index-tracking funds. Pursuant to Article R214-22 II of the French monetary and financial code, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.

- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.

The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 49: Lyxor RUSSELL 2000 UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

Acc share class: FR0011119254

NAME

Lyxor RUSSELL 2000 UCITS ETF (the "**Sub-fund**").

CLASSIFICATION

Global equities

The Sub-fund is continuously at least 60% exposed to at least one foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by the l'Autorité des marchés financiers le 29/03/2019 and will be established on 05/09/2019.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to seek exposure to the performance, whether positive or negative, of the Russell 2000® Net 30% Total Return index (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

Description

The Benchmark Index is a "net dividends reinvested" index, which means that the Benchmark Index's performance includes the dividends paid by its underlying shares.

The Benchmark Index reflects the performance of the small-cap segment of the US equities market. It is a subset of the Russell 3000® index and represents approximately 10% of its total market capitalisation. It comprises the 2000 smallest stocks of the Russell 3000® index, as determined on the basis of their market capitalisation.

The Benchmark Index is designed to be an indicator of the US small-cap equity market. The Benchmark Index is updated annually to ensure that new small-cap stocks are included and that it continues to be representative of the small-cap market segment.

FTSE Russell provides a family of US stock indices weighted by market capitalisation. All of the US indices are sub-sets of the Russell 3000E™ Index, which represents approximately 99% of the US stock market.

Each year, Russell Investments observes the following methodology to select the stocks that are to be included in the Benchmark Index:

- Classification by market capitalisation as at 31 May
- The largest 3,000 stocks comprise the Russell 3000® Index
- The largest 1,000 stocks comprise the Russell 1000® Index
- The next 2,000 stocks comprise the Russell 2000® Index.

The following are excluded:

- Stocks that trade at less than one dollar.
- Stocks that trade on the OTC Bulletin Board or on the Pink Quote market
- Closed funds, SCS, royalty trusts, etc.
- Non-US stocks and American Depositary Receipts (ADRs).

Dividends are reinvested at the ex-dividend date.

The performance tracked is that of the Benchmark Index's closing price.

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 www.ftserussell.com.

Benchmark Index composition and revision

The Benchmark Index is revised annually.

The exact composition of the Benchmark Index and Russell's rules for index composition revision are available at www.ftserussell.com.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The value of the Benchmark Index and the list of its components are available on the Internet at www.ftserussell.com

The Benchmark Index is calculated in real time every stock exchange trading day.

The Benchmark Index is available through Reuters and Bloomberg.

The Benchmark Index's closing price is available on the Internet at www.ftserussell.com.

Pursuant to Article 52 of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE Russell, the administrator of the Russell 2000® Net Total Return benchmark index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators. Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in the Sub-fund's portfolio may include those that make up the Benchmark Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In compliance with the ratios indicated in the applicable regulations, the Sub-fund may invest in global equities in all economic sectors and listed on all exchanges including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
 - their inclusion in a major stock exchange index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - credit rating of the country where the issuer has its registered office (must have at least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geographic
 - sector

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.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. Pursuant to Article R214-13 of the French monetary and financial code, the fund manager will not invest in the shares or units of alternative investment funds (AIF). The Sub-fund may invest in the units or shares of UCITS managed by the management company or by a company that is related to the management company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use derivative instruments and in particular OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index's components (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100% of assets under management.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative financial instruments. Accordingly, these derivative financial instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

When Société Générale is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Société Générale. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

The counterparty to the aforementioned derivative instruments (the "Counterparty") will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow cash to a maximum of 10% of its net asset value, mainly in order to optimise its cash management.

7. Securities financing transactions

N/A. The Sub-fund shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (f) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (g) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (h) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (i) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (j) Collateral must be immediately enforceable by the Sub-fund's management company without informing the counterparty and without its approval.

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

such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong;

such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (vii) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (viii) Bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (ix) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (x) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (xi) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (xii) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (v) deposited with an authorised institution;
- (vi) invested in high-quality government bonds;
- (vii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the accrued interest at any time
- (viii) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. a TRS or an EPMT), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equities are more volatile than Fixed Income markets where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also adversely affect share subscription, conversion and redemptions.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:

- the calculation of the Benchmark Index is suspended or stopped
- trading in the market(s) in the Benchmark Index's underlying assets is suspended
- an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- a market maker fails to comply with an exchange's rules
- an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to the risk that a counterparty with which the Sub-fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The Sub-fund is mainly exposed to counterparty risk resulting from the use of derivative financial instruments (DFI) traded over the counter with Société Générale or some other counterparty. In compliance with UCITS regulations, exposure to counterparty risk (whether the counterparty is Société Générale or another entity), cannot exceed 10% of the Sub-fund's total assets per counterparty

- Operational risk

The Sub-fund could be exposed to the operational risk of processing deficiencies or errors on the part of the various parties involved in managing the collateral for securities financing transactions and/or total return swaps (TRS). This risk arises only when managing collateral for securities financing transactions and/or total return swaps (TRS).

- Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) agreement as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, since there is no asset or financial instrument that enables the continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund may enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These derivatives involve various risks, such as counterparty risk, hedging disruption, index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. In such an event, a discrepancy between the Sub-fund's estimated taxation and the taxation that is actually applied to the Sub-fund (and/or to its DFI counterparty) may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected. If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

- i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
- ii) the Benchmark Index is permanently cancelled by the index provider
- iii) the index provider is unable to indicate the level or value of the Benchmark Index
- iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
- v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
- vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to the performance of the 'growth' segment of the US equities market, which is achieved by replicating the performance of the Benchmark Index

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Russell 2000 UCITS ETF fund is merged.

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.

Only a whole number of shares may be redeemed.

SHARE CURRENCY

| | |
|----------|-----------------|
| | Acc share class |
| Currency | US dollar |

SUBSCRIPTION AND REDEMPTION

3. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received between 10:00 am and 6:30 pm the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and represent at least the USD equivalent of 100,000 euros for the Acc share classes.

Subscriptions and redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation.

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in USD. The Sub-fund's net asset value is denominated in USD. The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

4. PURCHASES AND SALES ON THE SECONDARY MARKET

C. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares. B

B. SPECIFIC PROVISIONS

- b) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 "Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net

asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com

b) If the shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the management company, marketing agent or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|---|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5%, payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption order or 5%, payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees that are actually charged to the Sub-fund, see the Statistics section of the Key Investor Information Document.

| Fees charged to the Sub-fund | Base | Maximum charge |
|---|-----------------|-----------------------|
| Asset management fees and administration fees that are external to the management company (1) | Net asset value | 0.19% annual |
| Maximum indirect expenses (management expenses and fees) | Net asset value | N/A |
| Account activity charge | Net asset value | N/A |
| Incentive fee | Net asset value | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "Investment Company Act"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "U.S. Person" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Sub-fund is in no way sponsored, approved, sold or promoted by the Frank Russell Company ("Russell"), which makes no representations or warranties and provides no express or implied guarantee to the Sub-fund's shareholders or to the general public in respect of the advisability of trading in the shares or units of mutual funds in general and specifically in the shares of the Sub-fund, or in respect of the ability of the Russell 2000® Net 30% Total Return index to replicate the performance of the market or a segment thereof. The publication of the Russell 2000® Net 30% Total Return Index in no way implies or suggests that it is advisable to invest in any or all of the securities that comprise the Russell 2000® Net 30% Total Return Index. The sole relationship between Lyxor International Asset Management is the agreement of the Frank Russell Company ("Russell") in respect of the use of Russell's registered trademarks and brands and of the Russell 2000® Net 30% Total Return index, which Russell composes and calculates independently of Lyxor International Asset Management and the Sub-fund. Russell will not be held liable, has not studied the Sub-fund nor any literature or other publication and makes no representation nor provides any express or implied warranty as to its accuracy or comprehensiveness. Russell reserves the right, at any time and without prior notification, to revise, modify, close or change in any way the Russell 2000® Net 30% Total Return index and accepts no liability or obligation in respect of the administration, management or marketing of the Sub-fund.

RUSSELL DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPREHENSIVE NATURE OF THE INDICES OR OF ANY DATA INCLUDED. NOR DOES RUSSELL OR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF A RUSSELL INDEX PROVIDE ANY EXPRESS OR IMPLIED WARRANTY IN RESPECT OF THE RESULTS THAT A HOLDER OF A RUSSELL LICENCE MAY OBTAIN. RUSSELL DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OF THE INDICES OR DATA INCLUDED, WITHOUT LIMITING THE

FOREGOING, UNDER NO CIRCUMSTANCES SHALL RUSSELL OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOST PROFITS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report. The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-1 of the French monetary and financial code, which deals with index-tracking funds. Pursuant to Article R214-22 II of the French monetary and financial code, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure

ASSET VALUATION AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The management company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the management company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the management company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 50: LYXOR NEW ENERGY UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN code

Dist share class: FR0010524777

NAME

Lyxor New Energy UCITS ETF (the "**Sub-fund**").

CLASSIFICATION

Global equities.

The Lyxor New Energy UCITS ETF sub-fund is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l' Autorité des Marchés Financiers (the French financial markets authority) on 3 July 2019 and will be established on 5 September 2019.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the World Alternative Energy CW Net Total Return index (the "**Benchmark Index**"), denominated in euros (EUR), while minimising the tracking error between its performance and that of its Benchmark Index.

The Benchmark Index is representative of the performance of the global renewable energy sector.

The expected maximum ex-post tracking error under normal market conditions is 0.30%.

BENCHMARK INDEX

The Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index is an equity index that is calculated by Solactive AG, maintained by Robeco SAM (Sustainable Asset Management) and published by Solactive AG.

The Benchmark Index focuses on the renewable energy sector.

The Benchmark Index is comprised of companies listed on a European, American or Asian stock exchange and which earn a significant share of their revenue in one of the following three business sectors:

- Renewable energy (solar, wind and biomass)
- Energy efficiency (using energy sources more efficiently, for example, with more efficient meters and superconductors)
- Decentralisation of energy provision (electricity production near the consumer, for example, using micro-wind turbines and fuel cells).

The Benchmark Index is weighted by free-float market capitalisation and each component is adjusted in accordance with liquidity optimisation and maximum exposure criteria, as indicated in the Benchmark Index methodology.

The performance tracked is that of the Benchmark Index's closing price.

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.solactive.com>.

Benchmark Index composition and revision

The Benchmark Index is reviewed and rebalanced twice a year, in January and July.

The exact composition of the Benchmark Index and the rules for index composition revision are available on the Internet at <https://www.solactive.com>.

The frequency of the aforementioned rebalancing does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index is calculated daily using the official closing prices of the exchanges where the underlying stocks are listed.

The closing price of the Benchmark Index is available on the Internet at <http://www.solactive.com>.

Pursuant to Article 52 of European Parliament and Council Regulation 2016/1011 of 8 June 2016, Société Générale, the administrator of the Benchmark Index, has until 1 January 2020 to apply for approval or registration as applicable.

As of the date of the most recent version of this prospectus, the benchmark index administrator was not yet listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, 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 aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
 - their inclusion in a major stock exchange index or in the Benchmark Index
 - liquidity (must exceed a minimum daily trading volume and market capitalisation)
 - 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, and in particular with respect to:
 - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
 - geography
 - sector

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

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other asset or financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100% of assets under management.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

In accordance with its best execution policy, the Management Company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these derivative instruments. Accordingly, all of some of these derivatives (including index-linked swaps) may be traded with Société Générale without having to seek a competitive bid from another counterparty.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

The counterparty to the aforementioned derivative instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. The collateral received must in particular meet the following criteria.

- (a) collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price.
- (b) collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied.
- (c) collateral must be issued by an entity that is independent from the counterparty and must not be highly correlated with the counterparty's financial performance.
- (d) the collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) the Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

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

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the maturity of the asset provided as collateral (if relevant)
- the credit rating of the issuer of the asset provided as collateral (if relevant).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund may recover the full cash amount at any time with accrued interest
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company observes a policy for selecting financial counterparties and intermediaries when engaging in total return swaps (TRS) and other transactions on behalf of the Sub-fund.

Only financial institutions established in an OECD country and which after analysis are deemed to be satisfactory are selected. This analysis is conducted using criteria that are specific to the Management Company's Risks department, which for example include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of approved counterparties is reviewed periodically or in the event of a market shock or a deterioration of the selection criteria. This review involves all of the Management Company's relevant departments, including Asset Management, Risks, Operations and Support Services. The counterparties thus selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale Group's Risk department.

RISK PROFILE

The shareholder's money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- **Equity risk**

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- **Low Benchmark Index diversification risk**

The Benchmark Index to which investors are exposed covers a specific region, sector or investment strategy and therefore does not enable assets to be as broadly diversified as those of an index that is exposed to several regions, sectors or investment strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- **Capital risk**

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- **Liquidity risk (primary market)**

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also adversely affect share subscription, conversion and redemptions.

- **Liquidity risk (secondary market)**

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
- iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- iv) a market maker fails to comply with an exchange's rules
- v) an exchange's IT, electronic or other system fails.

- **Counterparty risk**

The Sub-fund is exposed to the risk that a counterparty with which the Sub-fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The Sub-fund is mainly exposed to counterparty risk resulting from the use of derivative financial instruments (DFI) traded over the counter with Société Générale or some other counterparty. In compliance with UCITS regulations, exposure to counterparty risk (whether the counterparty is Société Générale or another entity), cannot exceed 10% of the Sub-fund's total assets per counterparty.

- **Collateral management risks**

Operational Risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

- **Legal risk**

The Sub-fund may be exposed to a legal risk arising from securities financing transactions as indicated in EU Regulation No. 2015/2365.

- **Risk that the investment objective may not be fully achieved**

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks.

- **Risk of using derivative financial instruments**

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- **Risk due to a change in the tax regime**

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- **Risk of a change in the taxation of the Sub-fund's underlying assets**

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- **Regulatory risk affecting the Sub-fund**

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv) the index provider makes a material change in the formula for or the method of calculating the Benchmark Index (other than a minor modification such as an adjustment to the Benchmark Index's underlying assets or the respective weightings among its components) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency different from the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Changes in exchange rates may therefore adversely affect the Sub-fund's Benchmark Index.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors subscribing to this sub-fund are seeking exposure to the equity markets of companies carrying out, for their main source of revenue, activities concerning the renewable energy sector.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

If a distribution is decided, the management company reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the management company reserves the right to distribute distributable amounts in one or more distributions annual.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund LYXOR NEW ENERGY UCITS ETF.

Only a whole number of shares may be subscribed for.

Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

| | |
|----------|------------------|
| | Dist share class |
| Currency | Euro |

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 euros, for the Acc share class.

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in euros.

The Sub-fund's net asset value is denominated in EUR

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their units on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The management company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent

- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares. B

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and pursuant to the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 "Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will calculate and publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Euronext SA throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Euronext.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Euronext Paris SA's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share.

Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price they receive. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|---|-------------------------------------|--|
| Subscription fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per subscription order or 5% payable to third parties |
| Subscription fee kept by the Sub-fund | NAV per share × number of shares | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of shares | The higher value of either EUR 50,000 per redemption request or 5% of payable to third parties |
| Redemption fee kept by the Sub-fund | NAV per share × number of shares | N/A |

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees include expenses that are charged directly to the Sub-fund, except for transaction expenses. Transaction expenses include intermediary fees (brokerage, stock market taxes etc.) and any transaction fee that may be charged, and usually by the depositary or the management company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- Incentive fees, which the Sub-fund pays to the management company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

| Fees charged to the Sub-fund | Base | Maximum charge |
|--|-----------------------------|-----------------------|
| Investment management and administrative fees that are external to the management company, including tax (1) | Net assets | 0.60% annual |
| Maximum indirect expenses (management expenses and fees) | Net assets | N/A |
| Account activity charge | Charged on each transaction | N/A |
| Incentive fee | Net assets | N/A |

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "Investment Company Act"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "U.S. Person" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92800 Puteaux, France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Alternative Energy Index CW Net Total Return index (Waex) is calculated by Dow Jones Indices, a division of Dow Jones & Company, Inc. ("Dow Jones") and is compiled by the SAM Group ("SAM"). Dow Jones" and "Dow Jones Indexes" are registered trademarks of Dow Jones & Company, Inc. The investment products based on Waex are not offered, guaranteed, sold or promoted by Dow Jones Indexes nor by SAM nor do Dow Jones Indexes and SAM express any opinion whatsoever on the advisability of investing in such investment products. Dow Jones, SAM and their respective affiliated companies, sources and distributing agents (collectively designated as the "Index Parties"), exclude themselves from any liability with regards to Société Générale, Lyxor AM, any customer or third party resulting from the loss or damage, either directly or indirectly, stemming from (i) incorrect or incomplete data provided by Waex, or delays, interruptions, errors or omissions concerning the said data or any other related data ("Index Data") or from (ii) any decision adopted or measure taken by Société Générale, Lyxor AM, any customer or third party pertaining to the use of the Index Data. The Index Parties do not provide any certification, whether explicit or implied, to Société Générale, Lyxor AM, any of its customers or any third party concerning the Index Data, in particular no certificate as to the opportunity, order, accuracy, completeness, validity, marketing, quality or adequacy with a particular objective, or any certificate as to the results that are to be obtained by Société Générale, Lyxor AM, any of its customers or any third party pertaining to the use of the Index Data. The Index Parties exclude themselves from any liability with regards to Société Générale, Lyxor AM, any customer or third party in the event of operating losses, lost income or indirect damage, whether special or similar, of any nature whatsoever, whether pertaining to contractual damage, due to negligence, or otherwise, even if they are informed of the possibility of such damage. There are no contractual relations whatsoever between Dow Jones or the SAM Group and any of the customers of Société Générale or of Lyxor AM for the investment products based on Waex or linked to the latter. The Lyxor AM ETM which is based on Waex, is not proposed, guaranteed, sold or promoted by the Index Parties, who give no opinion whatsoever on the advisability of an investment.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders will be sent by the investors' brokers (members of Euroclear France SA) and will be received and processed by Societe Générale.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

Cours Valmy - 92987 Paris La Défense France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/>.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the management company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Multi Units France annual report.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

This Prospectus must be made available to investors prior to subscription.

SUB-FUND NO. 51: Planet Monde

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

Acc share class: FR0013431129

NAME

Planet Monde (the "Sub-fund").

The Sub-fund is a feeder fund. As such, it must invest at least 85% of its assets in the units of the Lyxor Planet fund, which is a French FCP common fund (hereafter the "MASTER FUND").

The MASTER FUND unit class in which the Sub-fund will invest is the "Z – (EUR)" unit class, the ISIN code of which is FR0010755769.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 28 June 2019 and was established on 19 July 2019.

INVESTMENT OBJECTIVE

The Sub-fund's investment objective is identical to that of the MASTER FUND as described in the section entitled "INFORMATION CONCERNING THE MASTER FUND".

The Sub-fund's performance will differ from that of the MASTER FUND due to the fees and charges to which the Sub-fund is subject and/or any liquid assets it may hold.

BENCHMARK INDEX

There is no relevant benchmark index given the investment techniques employed.

INFORMATION CONCERNING THE MASTER FUND

INVESTMENT OBJECTIVE

The MASTER FUND's investment objective is to achieve capital growth by capturing the performance of different global asset classes by investing in listed tracker funds (UCITS ETFs), while maintaining an average annual volatility of approximately 7%.

THE MASTER FUND BENCHMARK INDEX

There is no benchmark index that is relevant for this Sub-fund.

ELIGIBILITY OF THE MASTER FUND

According to the investment objective and policy described above, the MASTER FUND may invest more than 50% of its net assets in the units or shares of other UCITS.

INVESTMENT STRATEGY

1. Strategy employed

Since the Sub-fund is a feeder fund of the MASTER FUND, it has a regulatory obligation to invest at least 85% of its assets in the MASTER FUND's units, with the objective of investing almost 100% of its net assets in the MASTER FUND's units.

The Sub-fund may hold liquid assets on an ancillary basis.

An overview of the MASTER FUND's investment strategy is provided below.

OVERVIEW OF THE MASTER FUND'S INVESTMENT STRATEGY

PLEASE NOTE: IN THIS SECTION ENTITLED "OVERVIEW OF THE MASTER FUND'S INVESTMENT STRATEGY", THE TERM "MANAGEMENT COMPANY" REFERS TO THE MASTER FUND'S MANAGEMENT COMPANY.

THE MASTER FUND'S INVESTMENT POLICY

1. The MASTER FUND's investment process

The MASTER FUND will invest mainly in a portfolio of UCITS ETF index tracker funds that are traded on a regulated market.

The MASTER FUND's investment strategy is based on a proprietary methodology and tools developed by the Management Company, which are used to systematically assess the prospective long-term returns and risks of the main global asset classes (equities, bonds, commodities and currency), by geographic region, economic sector and investment theme. This provides diversified and flexible exposure through an active and discretionary investment process that is executed in two phases:

- (i) *The initial construction of an optimum "strategic portfolio" for the MASTER FUND, which aims for long-term performance without taking short-term market trends into consideration. The following process is observed in constructing this portfolio:*
 1. *Short-, medium- and long-term macroeconomic scenarios are determined for money-market rates, corporate profits and inflation in the relevant geographic regions.*
 2. *The projected medium- and long-term returns of the main asset classes are assessed on the basis of these macroeconomic scenarios and asset purchase prices. This assessment is made using conventional valuation models for these asset classes, which the Management Company has developed and enhanced.*

3. *These projected returns are used to calculate the optimum "strategic portfolio" for the MASTER FUND based on investment fundamentals over a medium- or long-term horizon. For this calculation, the Management Company uses bespoke analysis tools it has developed (financial scenario generators and dynamic portfolio optimisers).*
 - (ii) *The adjustment of this strategic portfolio, if necessary, in accordance with the Management Company's opinions on short-term trends in financial markets and their corresponding risks.*

This formal investment process thus results in an allocation that consists of investment vehicles that are representative of the asset classes selected to compose the "strategic portfolio", which is a result of the positions taken with medium- and long-term perspectives (and is therefore exposed to the fundamental value of the underlying financial markets) and of purely tactical positions which seek to take advantage of the short-term dynamics of the various asset classes.

This process does not provide for the use of financial futures to obtain over-exposure. The MASTER FUND does not use leverage.

Investors should note that the MASTER FUND's proportional exposure to its asset classes may vary considerably in accordance with their cycle of over- and undervaluation.

Up to 100% of the MASTER FUND's assets will be exposed to the shares or units of UCITS and in particular to exchange-traded tracker funds. The MASTER FUND may also invest up to 30% of its assets in the shares or units of French or foreign alternative investment funds ("AIF") that meet the four criteria specified in Article R 214-13 of the French Monetary and Financial Code.

Maximum exposure limits:

- *Exposure to the equity share class may range from 0% to 80% of the MASTER FUND's assets, with exposure to small-cap and mid-cap equities limited to 20% of assets*
- *Exposure to the bond share class may range from 0% to 80% of the MASTER FUND's assets, with exposure to high-yield (speculative) bonds limited to 30% of assets*
- *Exposure to the commodities asset class may range from 0% to 30% of the MASTER FUND's assets*
- *Exposure to the interest-rate asset class may range from 0% to 30% of the MASTER FUND's assets*
- *Exposure to the emerging countries asset class may range from 0% to 20% of the MASTER FUND's assets*
- *the MASTER FUND will not be exposed directly to the commodities asset class, but may be exposed thereto indirectly (e.g. via an index or a fund's units or shares)*
- *The MASTER FUND may be exposed to currency, equity, bond and two-tier interest-rate risks, which combined may in some cases represent up to 100% of the MASTER FUND's assets:*

1. Any directly-held securities or shares or units of an UCITS and/or AIF the fund may acquire that are denominated in another currency than the euro may not exceed 30% of the MASTER FUND's assets; and

2. Any currency risk to which the UCITS and/or AIF in which the MASTER FUND invests are exposed will not be subject to restrictions in the MASTER FUND.

The Management Company may also use derivative financial instruments traded on regulated or over-the-counter markets. The asset manager may use these instruments to hedge currency risk. Transactions involving derivatives and securities with embedded derivatives will be used to hedge currency risk and shall not exceed 100% of the MASTER FUND's assets.

The risk exposure targetted for the MASTER FUND naturally depends on the configuration of the various asset class markets and their prospective returns. The Management Company believes however that the MASTER FUND's volatility will average about 7%, which is similar to that of a balanced portfolio composed of 50% equities and 50% bonds.

Some asset classes are characterised by specific risks, such as exposure to small-cap equities, emerging countries or high-yield bonds.

2. Balance sheet assets (excluding embedded derivatives)

- **Holding shares or units in other CIU or investment funds**

The MASTER FUND will invest up to 100% of its assets in UCITS and in particular exchange-traded index trackers.

Funds that comply with Directive 2009/65/CE (the UCITS Directive) may represent up to 100% of assets.

These UCITS may be traded on Euronext Paris S.A.'s the NextTrack segment or on other organised markets. Market makers are committed to maintaining a bid/ask spread on these UCITS to ensure a minimum level of liquidity.

The MASTER FUND may also invest up to 30% of its total net assets in alternative investment funds that meet the four criteria of Article R 214-13 of the French Monetary and Financial Code.

The Management Company may invest in investment funds that are managed by the Management Company, by an affiliated compays, and/or by a Société Générale entity.

- **Equities**

To optimise the MASTER FUND's management and achieve its investment objective, the manager reserves the right to use other financial instruments in compliance with regulations. The MASTER FUND may invest in baskets of equities.

- **Debt securities**

To optimise the MASTER FUND's management and achieve its investment objective, the manager reserves the right to use other financial instruments in compliance with regulations. The MASTER FUND may invest in exchange traded notes (ETN).

The MASTER FUND will not engage in total return swaps.

3. Off-balance sheet assets (derivatives)

To achieve its investment objective, the MASTER FUND may engage in derivatives transactions subject to the following conditions:

Eligible markets:

regulated
organised
over-the-counter

Risks to which the MASTER FUND may seek or hedge exposure:

equity
interest-rate
currency
credit

Purpose (all transactions must be consistent with the investment objective)

hedging
exposure
arbitrage
other types (specify)

Eligible instruments:

futures
options
swaps
forward exchange contracts
credit derivatives:
other types (specify)

Strategy for using derivatives to achieve the investment objective:

to hedge the overall portfolio or specific currency, interest-rate, equity or bond risks (up to 100% of net assets).
to achieve synthetic exposure to assets or risks (up to 100% of assets)
to increase market exposure and adjust maximum authorised and targeted leverage
other strategy (specify).

In executing its investment strategy, the MASTER FUND will use forward exchange contracts to expose the fund to currency pairs.

For unit classes that are not denominated in EUR, the MASTER FUND will also enter into forward exchange contracts between the unit class currency and the EUR to cover all or part of the unit class's specific currency risk as effectively as possible over the life of the MASTER FUND.

The MASTER FUND may also use listed equity and/or bond options to hedge or increase exposure.

4. Securities with embedded derivatives used by the MASTER FUND

N/A.

5. Cash deposits made by the MASTER FUND

In order to optimise its cash management, the MASTER FUND may deposit funds representing up to 20% of its net assets with lending institutions.

6. Cash borrowings by the MASTER FUND

The MASTER FUND may temporarily borrow up to 10% of the value its net assets, mainly in order to optimise its cash management.

7. Securities financing transactions entered into by the MASTER FUND

The MASTER FUND will not engage in any securities financing transactions.

8. Use of collateral by the MASTER FUND

Whenever the investment strategy employed exposes the MASTER FUND to counterparty risk, and in particular when the MASTER FUND uses forward exchange contracts and/or engages in securities financing transactions (the fund will not engage in these transactions), the MASTER FUND may receive collateral in the form of securities and/or cash to reduce the counterparty risk of these transactions.

The MASTER FUND will have full title to all collateral received, which will be deposited in the MASTER FUND's account with the depositary. This collateral will therefore be included in the MASTER FUND's assets. If the counterparty defaults on its obligation, the MASTER FUND may dispose of the assets received from the counterparty to pay off the counterparty's debt to the MASTER FUND in respect of the secured transaction.

All collateral the MASTER FUND receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) The collateral received must be of good quality, meet the minimum liquidity requirements specified by the Management Company's Risks department, and be traded on a regulated market or a multilateral trading facility with transparent pricing to enable the collateral to be sold rapidly at a price that is near its previously estimated value.
- (b) collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied.

- (c) collateral must not exceed the correlation limits set by the Management Company's Risks department, which are calculated on derivatives contracts in compliance with EMIR regulations;
- (d) collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer limited to 20% of the MASTER FUND's net asset value;
- (e) collateral must be immediately enforceable by the MASTER FUND's Management Company without informing the counterparty and without its approval.

Subject to the above conditions, the MASTER FUND may accept the following forms of collateral:

- 1) cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- 2) bonds issued or guaranteed by an OECD member state, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- 3) shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- 4) shares or units of CIU that invest mainly in the bonds and/or equities indicated in (5) and (6) below
- 5) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity [and which have a credit rating of at least BBB- by S&P and/or Fitch, or an equivalent rating by Moody's
- 6) shares admitted for trading or traded on a regulated market of an EU member state, on a securities exchange of an OECD member state, or on a securities exchange of a non-OECD country provided that the conditions of points (a) to (e) above are fully met and that these shares are a component of a leading stock index.

Collateral discount policy

The MASTER FUND's Management Company shall apply a discount to the collateral accepted by the Fund. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the maturity of the asset provided as collateral (if relevant)
- the credit rating of the issuer of the asset provided as collateral (if relevant).

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- deposited with an authorised institution
- invested in high-quality government bonds;
- invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

RISK PROFILE

Shareholders' money will be invested mainly in units of the MASTER FUND.

The Sub-fund's risk profile is identical to that of the MASTER FUND (which is indicated below).

The MASTER FUND's risk profile

Capital risk

The principal invested in the MASTER FUND is not guaranteed. Unit-holders may therefore lose all or part of their initial investment.

Risk that the MASTER FUND will not achieve its investment objective

There can be no guarantee that the MASTER FUND will achieve its investment objective. There is no certainty that the Management Company will be able to allocate the MASTER FUND's assets profitably and the MASTER FUND may suffer losses even though some financial markets are posting positive returns.

Equity risk

The MASTER FUND may be directly or indirectly exposed to equities. The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure, in the economic conditions of the market in which the security is traded, and in investor expectations. Equity markets historically show more price volatility than do interest-rate markets. In particular, the MASTER FUND may be exposed to small-cap and medium-cap companies, which may increase market and liquidity risks. These price variations may decrease the MASTER FUND's net asset value.

Currency risk

The MASTER FUND may be exposed to currency risk as a result of its direct or indirect exposure to assets that are not denominated in euros. Fluctuations in the exchange rates of these currencies with respect to the euro may therefore adversely affect the MASTER FUND'S net asset value.

Interest-rate risk

The price of a bond or other debt security is dependent on changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise. Interest-rate risk is generally higher for long-term or long-maturity investments. Changes in interest rates may therefore increase or decrease the MASTER FUND's net asset value.

Credit risk

If the issuer of a debt security (including convertible bonds) to which the MASTER FUND is directly or indirectly exposed is no longer able to meet its debt obligations, the value of this security may decrease, and thus decrease the MASTER FUND's net asset value. The deterioration of the credit quality of one or more issuers of debt securities to which the MASTER FUND is directly or indirectly exposed may decrease the value of the securities and therefore adversely affect the MASTER FUND. The MASTER FUND may in particular be exposed to speculative bonds with non-investment grade ratings. If an issuer of such a bond defaults or becomes insolvent, its bonds may be exposed to a risk of loss that is higher than the risk to which a bond with a higher credit rating is exposed.

Risk of using derivatives

The MASTER FUND may use Financial Contracts, including forward contracts, listed and OTC options and swaps. Exposure to such Financial Contracts may involve considerable risk. Since the amount of money required to establish a position in a Financial Contract may much less than the exposure obtained under the contract, each transaction involves "leverage". The market value of a Financial Contract is quite volatile and may therefore vary considerably. Contracts traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these contracts may be more volatile. These variations of value and price may therefore adversely affect the MASTER FUND's net asset value.

Investment in non-investment grade securities (i.e. speculative or "high-yield" bonds)

The MASTER FUND will be exposed to speculative or "high-yield" bonds with non-investment grade ratings or which have not been rated by a credit rating agency but which are deemed to be equivalent in quality to bonds with a non-investment grade rating. If an issuer of such a bond defaults or becomes insolvent, its bonds may be exposed to a risk of loss of income and/or principal that is higher than the risk to which a bond with comparable characteristics but with a higher credit rating is exposed. The market value of the Sub-fund's bonds may therefore be more volatile.

Counterparty risk

The MASTER FUND is particularly exposed to counterparty risk as a result of its use of over-the-counter derivatives contracts and efficient portfolio management transactions. The Fund is exposed to the risk that a counterparty with which the Fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. If the counterparty defaults, the Financial Contract may be terminated prematurely and the MASTER FUND may have to enter into another contract with a third-party counterparty, at the market conditions that prevail at that time. This risk could cause losses for the MASTER FUND and prevent it from achieving its investment objective. In compliance with the regulations that apply to FCP funds, exposure to counterparty risk may not exceed 10% of the fund's total assets per counterparty.

When Société Générale is a counterparty to a Financial Contract and/or to a securities financing transaction, a conflict of interest may arise between the MASTER FUND'S Management Company and the counterparty. Société Générale has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

Risk of exposure to emerging and developing markets

Exposure to emerging markets entails a greater risk of loss than does investment in developed markets, for example due to the higher volatility of emerging markets and the greater risk of economic and/or political instability.

Commodities risk

Commodity markets are often exposed to greater and more variable risks than are other financial markets. The price of a commodity may therefore be highly volatile and adversely affect the MASTER FUND's performance.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

The Sub-fund is intended for investors who have relatively little aversion to risk. The level of risk exposure depends mainly on the market configurations of the asset classes and their prospective returns.

Investors should therefore note that the proportional exposure to the MASTER FUND's asset classes may vary considerably in accordance with their cycle of over- and under-valuation.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, and their cash requirements at present and for the next three years, as well as whether or not they wish to take risks or prefer a cautious investment approach.

Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least three years.

"U.S. Persons" (as this term is defined in the COMMERCIAL INFORMATION section below) are prohibited from investing in the Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If the Management Company decides to distribute the distributable amounts, such distribution will be made after the close of the accounting period.

However, the Management Company may decide, during the year, to distribute one or more interim dividends.

SHARE CHARACTERISTICS

| Units | ISIN code | Allocation of distributable amounts | Currency | Eligible investors | Minimum subscription/redemption amount |
|-------|--------------|-------------------------------------|----------|--------------------|--|
| Acc | FR0013431129 | Accumulation | EUR | All investors | EUR 100 |

The Management Company and the CIU that are managed by the Management Company are exempted from the minimum initial subscription requirement. No minimum amount is required for subsequent subscriptions.

The Management Company reserves the right to accept a subscription for an amount that is less than the minimum subscription amount indicated in the table above.

Subscription orders must be placed for a monetary amount.

Redemption orders may be placed for a specific monetary amount or a number of units, divisible into fractions of one thousandth.

SHARE CURRENCY

Euro

SUBSCRIPTION AND REDEMPTION

Subscription and redemption conditions

Subscription and redemption orders must be received and processed by the Depositary by 11:00 am (Paris time) on a date that the net asset value is established to be executed at the following day's net asset value. Orders that are received after 11:00 am (Paris time) will be considered to have been received the following Business Day and will be executed at the net asset value of the following Business Day (D+1).

The minimum initial subscription amount is indicated in the KEY INFORMATION table. The minimum amount for subsequent subscriptions is one thousandth of a unit.

Orders will be executed as shown in the table below:

| Day D: | Day D: | Day D+1: day that the NAV is established | D+2 business days (D+4 maximum) | D+3 business days (D+5 maximum) | D+5 business days ² |
|---|---|--|----------------------------------|---------------------------------|--------------------------------|
| Subscription orders are processed until 11:00 pm ¹ | Redemption orders are processed until 11:00 pm ¹ | Order are executed no later than day D+1 | The net asset value is published | Subscriptions are settled | Redemptions are settled |

1. Unless another cut-off time is agreed with your financial institution.

2. The settlement times indicated are maximums. Some transactions may be subject to shorter settlement times.

Address of the entity that receives subscription and redemption orders

Société Générale S.A. - 32, rue du Champ du Tir – 44000 Nantes – France

Subscriptions/redemptions in cash

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Place and method of net asset value publication or communication

At the registered office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at Tours Société Générale – 17, Cours Valmy – 92800 Puteaux – France.

Date and frequency of net asset value calculation

The net asset value is calculated daily. Although it must be calculated and published within four Business Days after the Net Asset Value Date, it will normally be calculated and published on the Business Day that follows each Net Asset Value Date and will reflect the Sub-fund's assets as of the Net Asset Value Date.

A "Business Day" is defined as a day that is not a public holiday in France, as defined in the French labour code, and a day on which the Euronext Paris exchange (or its successor) is normally open.

FEES AND CHARGES**SUBSCRIPTION AND REDEMPTION FEES**

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price they receive. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

SUB-FUND'S FEES:

| Fees paid by investors and deducted from subscriptions and redemptions | Base | Maximum charge |
|---|------------------------------------|-----------------------|
| Subscription fee not kept by the Sub-fund | NAV per share × number of units | 4% maximum |
| Subscription fee kept by the Sub-fund | NAV per share × number of units | N/A |
| Redemption fee not kept by the Sub-fund | NAV per share × number of units | 0% maximum |
| Redemption fee kept by the Sub-fund | NAV per share × number of units | N/A |

MASTER FUND'S FEES:

| Fees paid by investors upon subscription or redemption | Base | Maximum charge |
|---|------------------------------------|-----------------------|
| <i>Subscription fee not kept by the MASTER FUND</i> | NAV per share × number of units | <i>1% maximum</i> |
| <i>Subscription fee kept by the MASTER FUND</i> | NAV per share × number of units | <i>N/A</i> |
| <i>Redemption fee not kept by the MASTER FUND</i> | NAV per share × number of units | <i>N/A</i> |
| <i>Redemption fee kept by the MASTER FUND</i> | NAV per share × number of units | <i>0% maximum</i> |

OPERATIONAL AND MANAGEMENT FEES AND CHARGES

These fees and charges cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. Transaction expenses include intermediary fees (brokerage, stock market taxes etc.) and any transaction fee that may be charged, usually by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- transaction fees, which are charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Fees and Charges section of the Key Investor Information Document (KIID).

| Fees charged to the SUB-FUND | Base | Maximum charge |
|---|-----------------------------|-----------------------|
| Investment management fees and administrative fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 1.20% incl. tax p.a |
| Maximum indirect management fees (management fees and charges) ⁽²⁾ | Net asset value | 1.10% incl. tax p.a |
| Incentive fee | Net asset value | N/A |
| Transaction fee | Charged on each transaction | N/A |

⁽¹⁾ includes all fees and charges except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds.

⁽²⁾ includes the maximum indirect management fees (i.e. management fees and charges) charged to the MASTER FUND.

| <i>Fees charged to the MASTER FUND</i> | <i>Base</i> | <i>Maximum charge</i> |
|---|------------------------------------|--|
| Investment management fees and administrative fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾ | Net asset value | 0.1% incl. tax |
| Maximum indirect management fees (management fees and charges) | Net asset value | 1.00% incl. tax p.a |
| <i>Incentive fee</i> | Net asset value | N/A |
| <i>Turnover fee:</i> | <i>Charged on each transaction</i> | 0.10% incl. tax on the UCITS ETF units 0.10% incl. tax on ETN 0.10% incl. tax on equity baskets |

- (1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's Management Company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

Holders of the Sub-fund's shares are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

PURSUANT TO THE EXEMPTION UNDER ARTICLE 4.13(a)(3) OF THE REGULATION OF THE COMMODITY FUTURES TRADING COMMISSION OF THE UNITED STATES OF AMERICA ("CFCT"), THE FUND'S MANAGEMENT COMPANY HAS NO OBLIGATION TO REGISTER WITH THE CFCT AS THE FUND'S "COMMODITY POOL OPERATOR" ("CPO"). THE FUND'S MANAGEMENT COMPANY HAS FILED AN EXEMPTION NOTICE WHICH EXEMPTS IT FROM THE REGISTRATION OBLIGATION AND BY VIRTUE OF WHICH IT AGREES TO OBSERVE THE REQUIREMENTS OF THIS EXEMPTION, WHICH AMONG OTHER THINGS INCLUDE OBSERVING THE TRANSACTION LIMITS OF CERTAIN DERIVATIVE FINANCIAL INSTRUMENTS ENTERED INTO BY THE FUND, AND ENSURING THAT ALL INVESTORS ARE ELIGIBLE PARTICIPANTS, AS SPECIFIED IN THE CFCT'S REGULATION. THIS REGULATION ALSO STIPULATES THAT THE FUND'S UNITS SHALL NOT BE SUBJECT TO REGISTRATION PURSUANT TO THE U.S. SECURITIES ACT OF 1933 AND THAT THEY MAY BE OFFERED OR SOLD WITHOUT SOLICITATION TO THE PUBLIC IN THE UNITED STATES OF AMERICA. THEREFORE, UNLIKE A CPO REGISTERED WITH THE CFCT, THE FUND'S MANAGEMENT COMPANY IS NOT OBLIGATED TO PROVIDE PROSPECTIVE INVESTORS WITH A DOCUMENT THAT COMPLIES WITH THE CFCT'S STANDARDS, NOR TO PROVIDE THE FUND'S INVESTORS WITH ANNUAL REPORTS THAT ARE CERTIFIED PURSUANT TO THE STANDARDS OF THE CFCT REGULATION THAT APPLY TO REGISTERED CPO. THE FUND'S MANAGEMENT COMPANY WILL HOWEVER PROVIDE THIS PROSPECTUS TO PROSPECTIVE INVESTORS. THIS PROSPECTUS HAS NOT BEEN REVIEWED OR APPROVED BY THE CFCT.

The Volcker Rule

Certain provisions of the laws and regulations of the United States of America apply to Société Générale, to the Fund and to its unit-holders. On 21 July 2010, President Barack Obama enacted the Dodd-Frank Act. Article 619 of the Dodd-Frank Act and its implementation rules (commonly referred to as the "Volcker Rule") restrict the capacity of a banking entity, such as most of the entities of the Société Générale group, to acquire or hold shares or units or any other form of equity in a covered fund or to promote (which includes acting as a commodity pool operator) a covered fund (which term includes certain alternative investment and private equity funds). Notwithstanding this, the Volcker Rule allows non-U.S. banking entities to acquire, hold and promote undertakings for collective investment (UCI) that are not offered for sale in the United States and which meet certain conditions (such UCI being referred to as "foreign excluded funds"). In order for a CIU to be considered a foreign excluded fund, it must meet the following conditions: (1) the banking entity must not be an entity of the United States of America; (2) the CIU must be domiciled outside of the United States of America and its units or shares must be offered and sold only outside of the United States of America; and (3) the CIU must either not be a commodity pool as this term is defined in the U.S. Commodity Exchange Act, or if it is a commodity pool, there must not be a commodity pool operator that is subject to or which may be subject to rule CFTC 4.7 such as exemption from some obligations under the U.S. Commodity Exchange Act.

The Volcker Rule came into effect on 21 July 2012. All banking entities, subject to certain exemptions, have an obligation to bring their activities and investments into compliance with the Volcker Rule before the end of the compliance period, i.e. no later than 21 July 2015. The US Federal Reserve Board has decided to extend the compliance period until 21 July 2017 for collective investment undertakings formed prior to January 1st 2014.

Fund unit-holders which are themselves banking entities subject to the Volcker Rule under certain circumstances may be prevented by the restrictions of the Volcker Rule from acquiring or holding units in the Fund. An investment fund that is neither promoted or managed by the Management Company (or by any other entity of Société Générale group) may not be subject to these provisions.

The Management Company and its Affiliated Entities provide no assurance to unit-holders as to how the Fund may be classified under the Volcker Rule. The Fund's unit-holders must rely on their own legal advisors as to the possible effects of the Volcker Rule on the purchase of units in the Fund.

A "U.S. Person" is defined to be (A) a United States Person as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a Non-United States Person as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission, and/or (C) a U.S. Person as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

An "Affiliated Entity" is defined to be, with respect to a given entity, another company that controls, or is controlled by, or is under joint control along with this given entity, pursuant to the terms and conditions of the United States Bank Holding Act of 1956.

Dodd-Frank Act: The United States Dodd Franck Wall Street Reform and Consumer Protection Act.

The Société Générale group: Société Générale S.A. and its subsidiaries, Affiliated Entities and/or Associates.

Société Générale S.A. or Société Générale: A French bank and a Société Anonyme company registered in France and which has its registered office at 29, boulevard Haussmann, 75009 Paris, France.

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.

Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depository.

Summary of the internal rules observed by the Management Company in respect of Master Funds and Feeder Funds

The Management Company has implemented internal rules to ensure compliance with the provisions of Article 411-87 et seq of the AMF's General Regulations in respect of the management of the MASTER FUND and of the Feeder Fund (the "Internal Procedure"). The Management Company ensures that the Internal Procedure is observed by all staff members involved in the structuring, documentation, management and functioning of the MASTER FUND and by all staff members who have the same responsibilities vis-à-vis the Feeder Fund. These obligations include timely communication of the following information between the two funds:

- Regulatory documents that apply to Master Funds and Feeder Funds and any amendments thereto
- The Feeder Fund's subscriptions and redemptions of the MASTER FUND's units
- Prior notification of the suspension or resumption of subscriptions and redemptions
- Prior notification of any modification or correction of price by the MASTER FUND
- Information in respect of audit reports, standing arrangements or other substantial arrangements, or any modifications thereto
- On the handling of customer complaints
- On the management of potential conflicts of interest pursuant to the Management Company's policy for managing conflicts of interest.

The MASTER FUND's prospectus, the Key Investor Information Document and a complete version of the Internal Procedure may be obtained from:

LYXOR ASSET MANAGEMENT

17 cours Valmy - 92987 Paris La Défense CEDEX – France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor Asset Management on its website at www.lyxor.com.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 cours Valmy - 92800 Puteaux – France.

E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxor.com.

Prospectus publication date: see the "Publication Date" section

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at <http://www.lyxor.com/fr/nous-connaître/mentions-reglementaires/>.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at <http://www.lyxor.com>.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

This Prospectus shall be made available to investors prior to subscription.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

INVESTMENT RULES

The Sub-fund will comply with the investment rules set out in European Directive 2009/65/EC of 13 July 2009.

In accordance with Article R214-31-1 of the French Monetary and Financial Code, the Sub-fund may invest up to 100% of its assets in units or shares of the MASTER FUND.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET RECOGNITION AND VALUATION RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. The Management Company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. The Management Company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. Accounting method for trading expenses

Trading expenses are excluded from the initial cost of transactions.

C. Accounting method for income from fixed-income securities

Income from fixed-income securities is accounted for using the cash-basis method.

D. Distribution policy

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. Accounting currency

The Sub-fund's accounts are kept in euros.

MULTI UNITS FRANCE

ARTICLES OF ASSOCIATION OF THE MULTI UNITS FRANCE FUND

A SICAV FUND COMPLIANT WITH EUROPEAN STANDARDS

NAME: MULTI UNITS FRANCE.

Legal Form = Société d'Investissement à Capital Variable (SICAV) incorporated in the form of a Société Anonyme (SA)

Head office address: Tour Societe Generale, 17 cours Valmy, 92800 Puteaux, FRANCE.

Trade and Commercial Registry: N° 441 298 163 NANTERRE.

TITLE 1

FORM, PURPOSE, NAME, REGISTERED OFFICE, DURATION

ARTICLE 1 - FORM

It is established, between the holders of the shares created below and those that will subsequently created, a *Société d'Investissement à Capital Variable* ("SICAV"), a French registered investment company with variable capital, operating under French law, established in France, that is notably governed by the provisions of the Commercial Code relative to Sociétés anonymes (Book II – Title II – Chapter V), the Monetary and Financial Code (Book II – Title 1 – Chapter IV -Section I - sub -section I), its application texts, the subsequent texts and by the present articles of incorporation.

In compliance with article L 214-33 of the Monetary and Financial Code, the Fund consists of a certain number of Sub-funds. Each Sub-fund shall give rise to the issuance of a one or several share classes representing those assets of the Fund attributed to the respective Sub-fund.

ARTICLE 2 - PURPOSE

The purpose of this company is the establishment and management of a portfolio of financial instruments and deposits.

Within the limits of the applicable regulations, the Fund can carry out operations on regulated firm or conditional future markets (French or foreign) or over-the-counter markets in order to hedge its portfolio or to expose it to business sectors, rates, indices, equities or similar securities in order to attain its management objective and/or to have some of its Sub-funds benefit from the guarantee as defined in the prospectus mentioned in article 23 of the present articles of incorporation. These operations will be carried out up to a maximum commitment limit of one time the Fund's assets. Within this framework, the Fund can also establish positions in order to hedge the currency risk of its portfolio.

ARTICLE 3 - NAME

The Company is called: MULTI UNITS FRANCE, followed by the indication "Société d'Investissement à Capital Variable", accompanied or not by the term "SICAV".

ARTICLE 4 – REGISTERED OFFICE

The registered office is located in the Société Générale Tower, 17 cours Valmy, 92 800 Puteaux, FRANCE.

ARTICLE 5 – DURATION

The duration of the Company is 99 years as at its registration with the register of companies, except in the case of early dissolution or extension as indicated in the present articles of association.

TITLE 2

CAPITAL, CHANGES IN CAPITAL, CHARACTERISTICS OF SHARES

ARTICLE 6 – SHARE CAPITAL

The initial capital amounts to EUR 8 million (eight million euros), i.e. the equivalent of fifty-two million four hundred seventy-six thousand five hundred and sixty francs, divided into 80,000 shares, entirely paid up.

It was established exclusively by payments in cash.

Classes of shares shall be issued to represent the assets attributed to each Sub-fund. The provisions hereof applicable to shares are applicable to such categories of shares.

The shares do not grant their holders any direct right to the assets of the Sub-funds.

The shares can be grouped or divided upon proposal from the board of directors and decision by the extraordinary general assembly.

The shares can be fractioned, by decision of the board of directors, into 10ths, 100ths, 1000ths, 10,000ths, or 100,000ths, known as share fractions.

The provisions of the articles governing the issue and redemption of shares are applicable to the share fractions, the value of which will always be proportional with that of the share that they represent. All other provisions relating to shares shall apply *mutatis mutandis* to fractional shares unless otherwise provided.

An asset ceiling (in amount of assets or number of shares) can be established for certain guaranteed classified Sub-funds of the Fund, and will be indicated in the prospectus.

The shares representing the Company's capital can be full distribution shares, accumulation and/or distribution shares or full accumulation shares. Full distribution shares and accumulation and/or distribution shares Full distribution shares, accumulation and/or distribution shares entail a right to the payment of dividends according to the provisions contained in article 27 of the present articles of association. Any dividend payment will result in an increase of the ratio between the net asset value of the Accumulation shares and those of the distribution shares. At any time, any shareholder can carry out an exchange between full distribution shares, accumulation and/or distribution shares or full accumulation shares and vice-versa, according to the parity P defined by the board of directors. Shareholders who would not receive, due to the exchange parity, a whole number of shares can, if they desire, pay a supplement in cash as required for the allocation of an additional share.

During these operations, the Fund shall not apply the subscription and redemption fees payable to it.

The board of directors determines the calculation conditions of the net asset values of the full distribution shares, accumulation and/or distribution shares or full accumulation shares. They are brought to the attention of the shareholders in the appendix to the annual accounts.

ARTICLE 7 – CHANGES IN CAPITAL

The capital amount is subject to change resulting from the Company's issuing of new shares and from decreases after the redemption of shares by the Company to shareholders who so request.

At all times, the capital amount is equal to the sum of the net assets of the Company's Sub-funds, including accumulated amounts, less the sum distributable within Sub-funds, in compliance with the provisions of article 27.

ARTICLE 8 – CREATION, MODIFICATION, LIQUIDATION OF A SUB-FUND – CREATION, LIQUIDATION OF SHARE CLASSES - ISSUE, REDEMPTION OF SHARES

8. 1 Creation, modification and Liquidation of a Sub-fund

The Board of Directors is the only body entitled to create, modify or liquidate a Sub-fund of the Fund.

8. 2. Creation and liquidation of share classes

The Board of Directors is the only body entitled to create or liquidate share classes.

8. 3 Issue and redemption of shares

The issue price and the redemption price are equal to the net asset value obtained by dividing the Sub-fund's net assets by the number of shares, increased or decreased by a subscription or redemption fee as indicated in the prospectus mentioned in article 23 of the present articles of association.

The board of directors sets the minimum subscription conditions (subscription units) and the redemption conditions (redemption units), which are mentioned in the prospectus.

Redemptions and subscriptions will be carried out in accordance with the terms conditions set out in the prospectus.

Any subscription of new shares must, on pain of nullity, be entirely paid up and the issued shares include usufruct on the same date as the shares existing on the day of issue.

Any redemption request must be accompanied by the deposit of the shares and share fractions, the payment of the redemption price is carried out within a maximum of five trading days following the redemption request, subject to the exceptions listed below and the provisions relating to registered shares and share fractions.

In the absence of contrary legal provisions, the disposal or transfer of shares between shareholders or benefiting a third party carried out outside of a regulated market, is considered to be a redemption followed by a subscription. When the operation involves a third party, the disposal or transfer amount must, where appropriate, be completed in cash by the beneficiary in order to attain at least the minimum subscription required by the prospectus.

In accordance with article L. 214-19 of the Monetary and Financial Code, the redemption by the Company of its shares and share fractions, as well as the issue of new shares and share fractions, can be temporarily suspended by the board of directors, when compelled by exceptional circumstances and if required in the interests of the shareholders.

When the net assets of the Fund (or where applicable a Sub-fund) fall below the amount stipulated by the regulations, no redemption of shares or share fractions can be carried out (for the relevant Sub-fund).

Pursuant to Articles L.214-7-4 of the French monetary and civil code and 411-20-1 of the AMF's General Regulations, in the event of exceptional circumstances the management company may decide to suspend redemptions when a specified limit or "cap" is reached, if it believes that this is in the best interests of shareholders or the general public.

Redemptions for a given Sub-fund may be suspended when their amount, net of subscriptions, on a given order processing date exceeds 10% of the Sub-fund's net assets. This limit is based on the Sub-fund's most recent net asset value, which the management company may estimate if necessary on the corresponding Primary Market Day.

If the management company decides to suspend redemptions, the fraction of redemption orders above the cap that is not executed will be automatically deferred and will be treated as a redemption order to be executed at the next net asset value.

Shareholders whose redemptions orders have been partially deferred may have the Depository cancel the deferred execution of the unexecuted fraction of their orders up until the time limit indicated in the section entitled "Subscription and Redemption on the Primary Market" for the relevant Sub-fund.

The maximum number of net asset values for which the management company may cap redemptions is 20 over a period of three months.

So-called "round-trip" trades, where a shareholder or beneficial owner subscribes and redeems the same number of shares at the same net asset value, will not be subject to the cap on redemptions.

Pursuant to the third paragraph of Article L.214-7-4 of the French monetary and financial code, the Fund may stop issuing units, either temporarily or definitively and in whole or in part, in situations that objectively require subscriptions to be suspended, such as the reaching of a maximum number of shares issued or a maximum amount of assets, or the expiration of a pre-determined subscription period. Shareholders will be notified of any suspension of subscriptions using any appropriate means and will be informed of the objective situation and threshold limit that resulted in the decision to partially or completely suspend subscriptions. If subscriptions are partially suspended, the aforementioned notification must explicitly indicate the terms and condition under which the shareholders may continue to subscribe for units throughout the partial suspension period. Shareholders shall also be informed using any appropriate means of any decision by the Fund or the Management Company to either terminate the partial or total suspension of subscriptions (when the suspension trigger threshold is no longer exceeded), or to maintain the suspension of subscriptions (if the threshold or the objective situation that resulted in the suspension is modified). Such modification of the objective situation or of the suspension trigger threshold must always be made in the interest of shareholders. The aforementioned notification must indicate the precise reasons for such modifications.

ARTICLE 9 - CALCULATION OF NET ASSET VALUE

The calculation of the share's net asset value is carried out each day (except on public holidays as defined in the prospectus mentioned in article 23 of the present articles of association), while taking into account the assessment rules stipulated below:

- The securities traded on a French or foreign regulated market are assessed at the market price. The assessment of the reference market price is made according to the provisions decreed by the board of directors. The manner in which these rules shall be applied is specified in the notes to the annual accounts.

However:

. The securities for which the price was not determined on the assessment date or for which the price has been corrected are assessed at their probable trading value under the responsibility of the board of directors. These assessments and their justification are provided to the auditor at the time of the latter's verifications.

. Securities involving debt securities and other securities that are not the subject of significant transactions are assessed by application of an actuarial method, with the adopted rate being that of the issues of equivalent securities affected, as relevant, by a difference that is representative of the intrinsic characteristics of the

security's issuer. However, negotiable debt instruments with a remaining maturity of less than three months may, in the absence of special considerations, be evaluated by reference to the straight-line method. The terms of application for these rules are set by the board of directors. They are specified in the notes to the annual accounts.

- The units or shares of UCITS are assessed at the last known net asset value.

- Securities that are not traded on a regulated market are assessed at their probable trading value, under the responsibility of the board of directors.

- Securities that are the subject of temporary transfer or acquisition contracts are assessed in compliance with the applicable regulations, with the terms of application being determined by the board of directors and stipulated in the appendix to the annual accounts.

- The operations relating to firm or conditional forward financial instruments traded on French or foreign organised markets are valued at the market value according to the provisions determined by the board of directors. They are specified in the notes to the annual accounts.

- The operations relating to firm or conditional forward financial instruments traded on French or foreign organised markets are valued at the market value according to the provisions determined by the board of directors. They are specified in the notes to the annual accounts.

Moreover, an instantaneous indicative net asset value will be calculated by the market undertaking if the Sub-funds are accepted for trading and listing.

Contributions in kind may only be in the form of securities or contracts eligible as component assets of the UCITS; they are valued in accordance with the valuation rules applying to the calculation of the net asset value.

ARTICLE 10 – FORM OF THE SHARES

Shares may be in either bearer or registered form at the subscriber's option.

In accordance with article L 211-4 of the Monetary and Financial Code and its implementation legislation, securities must be listed in accounts held, as relevant, by the issuer or an authorised intermediary.

The rights of shareholders shall be represented by an inscription in their name in a register:

- held by an intermediary of their choice, for securities held by the shareholder;
- with the issuer, and if they so desire, with the intermediary of their choice for registered shares.

In exchange for payment at its expense, the Company can request the names, nationalities and addresses of the Fund's shareholders, as well as the quantity of shares held by each of them, in accordance with article L 211-5 of the Monetary and Financial Code.

ARTICLE 11 – ADMISSION TO TRADING ON A REGULATED MARKET

The shares may be listed for trading on a regulated market in accordance with applicable regulations.

In this case, it should be noted that the Fund must implement means to ensure that its share price does not deviate from its net asset value by more than 1.5%.

ARTICLE 12 – RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

Each share confers a right to an interest in the ownership of corporate assets and the sharing of profits, proportional to the fraction of capital represented thereby.

The rights and obligations conferred by the share run with the security, regardless of the holder.

Whenever it is necessary to hold several shares in order to exercise a given right, and particularly in the case of exchange or grouping, the holders of single shares or of less than the necessary number of shares cannot exercise such rights unless they arrange to group their shares with others or arrange the purchase or sale of the necessary number of shares.

ARTICLE 13 - INDIVISIBILITY OF THE SHARES

All undivided holders of a share or eligible parties are required to be represented to the Company by a single person appointed by agreement between them, or, failing that, by the president of the commercial court with jurisdiction over the site of the head office.

The owners of share fractions can group together. In such a case, they must be represented in the manner set forth in the previous paragraph, i.e. by a single person who shall exercise, for each group, the rights conferred by the ownership of one whole share.

In the absence of a contrary agreement declared to the Company, the voting right belongs to the usufructuary during ordinary general meetings and to the bare owner during extraordinary general meetings.

TITLE 3

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

ARTICLE 14 - ADMINISTRATION

The Company is administered by a board of directors consisting of at least three and at most eighteen members, appointed by the ordinary general meeting.

Subject to international conventions, the chairman of the board of directors and, where appropriate, the board member temporarily appointed to carry out all or parts of the chairman's duties, the delegated managing director and at least 2/3 of the board members must be French or citizens of the European Union.

During the life of the Company, the directors shall be appointed or reappointed to their offices by the ordinary general meeting of the shareholders.

The directors can be natural persons or legal entities. The latter must, at the time of their appointment, designate a permanent representative who is subject to the same conditions and obligations and who incurs the same civil and penal liabilities as though this person were a member of the board of directors in his/her own right, without prejudice to the liability of the legal person that he/she represents. His term of office as permanent representative shall have the same duration as that of the legal entity that he represents.

If the legal entity revokes the representative's mandate, it must forthwith declare this revocation to the Fund by registered mail, together with the identity of its new permanent representative. The same rule shall apply in case of death, resignation or protracted impediment of the permanent representative.

ARTICLE 15 - DURATION OF THE TERMS OF THE BOARD MEMBERS – RENEWAL OF THE BOARD

Subject to the provisions of the following paragraph, the terms of the board members shall be for three years for the first board members and a maximum of six years for the following board members, with each year consisting of the interval between two consecutive annual general meetings.

Should one or more board member position(s) become vacant between two general meetings, due to death or resignation, the board of directors can carry out one or more temporary appointment(s).

A board member appointed by the board as a temporary replacement for another member who has died, been dismissed or resigned either automatically or by request, only remains on the board for the time remaining in his/her predecessor's term.

Appointments of members by the board of directors are subject to ratification by the next ordinary general meeting. Should this ratification be refused, the deliberations undertaken and the actions carried out beforehand remain valid.

The directors may be re-elected. They may be dismissed at any time by the ordinary general meeting of the shareholders.

The term of each member of the board of directors is terminated at the end of the annual general meeting of the shareholders that voted on the Accounts of the past financial year and held in the year in which the member's mandate would expire, with the understanding that, if no ordinary general meeting is held during the said year, the term of the member in question ends on 31 December of that same year, though the above is subject to the following exceptions.

Any board member can be appointed for a term that is less than six years when this is necessary in order for the renewal of the board to remain as regular as possible and within each six-year period. This shall apply, in particular, if the number of directors is increased or decreased to the point of affecting the regularity of the renewal.

Should the number of members of the board of directors fall below the legal minimum, the remaining member(s), or failing that the Auditors, must immediately call an ordinary general meeting of the shareholders in order to make up the board's size.

ARTICLE 16 - EXECUTIVE COMMITTEE

From amongst its members, for the duration that it determines but which cannot exceed that of the board member's term, the board elects a chairman who must necessarily be a natural person.

The chairman of the board of directors represents the board of directors. He organises and directs the work of the board and reports back to the general meeting. He ensures the management bodies of the company operate smoothly and ensures, in particular, that the directors are able to accomplish their duties.

If considered useful, it also appoints a deputy chairman and it can also choose a secretary that is not a member.

In case of temporary impediment or death of the chairman, the deputy chairman presides over the board meeting. Failing that, the board will appoint a meeting chairman from amongst its members.

The chairman, deputy chairman and secretary can always be re-elected.

ARTICLE 17 - BOARD MEETINGS AND DELIBERATIONS

The board of directors meets when called by the chairman, as often as required in the Company's interests, either at the head office or at any other location indicated in the meeting notice. The invitations can be made by any means.

If the board has not met for over two months, at least one third of its members can call a meeting of the board to deliberate a particular agenda.

The presence of no fewer than one-half of the members of the Board of Directors is necessary in order for deliberations to be valid. Decisions shall be taken by majority vote of the members present or represented.

By letter or telegram, a board member can give another board member a proxy to represent him/her during a board meeting. During a given board meeting, each board member can only have one proxy.

Each Director shall have one vote. In case of a tie vote, the chairman's vote shall decide.

ARTICLE 18 - MINUTES

The minutes are drawn up and the copies or extracts of the deliberations are issued and certified in accordance with the law.

ARTICLE 19 – POWERS OF THE BOARD OF DIRECTORS

The board of directors determines the company's business strategy and oversees its implementation. It examines any and all matters within the Company's object and which concern the efficient running of the business and which are not expressly decided by shareholders at shareholder meetings, and makes any and all business decisions within its remit

The board of directors has the broadest possible powers in order to act, in all circumstances, in the name of the Company; it exercises these powers within the limits of the Company's corporate purpose and subject to the powers expressly attributed by law to the meetings of the shareholders.

ARTICLE 20 – GENERAL MANAGEMENT

The general management of the Company is taken on, under his/her responsibility, either by the chairman of the board of directors or by another natural person appointed by the board of directors and bearing the title of managing director.

The choice between two ways of conducting the general management is taken subject to the conditions set by under these Articles by the board of directors for a term expiring when the term of current chairman of the board of directors expires. The shareholders and third parties will be notified of the choice in accordance with the conditions set according to the prevailing statutory and regulatory provisions.

Depending on the choice made by the board of directors in accordance with clause above, the general management will be assured, either by the chairman or by a managing director. If the board of directors chooses to separate the functions of chairman and managing director, it will appoint a managing director and fix the term of his mandate. If the chairman of the board of directors is responsible for the general management of the company, the following provisions applying to the managing director also apply to the chairman.

Subject to the powers that the law expressly attributes to the meetings of shareholders, to the powers that it specially reserves for the board of directors, and within the limits of the corporate purposes, the managing director is granted the broadest possible powers to act in the Company's name in all circumstances. He exercises these powers within the limits of the company purpose and within the powers expressly attributed by law to the shareholders' meetings and meetings of the executive committee. He represents the Company in its relations with third parties.

The managing director can grant all partial delegations of his/her powers to any person of his/her choice.

The managing director can be dismissed by the board of directors at any time. Upon proposal from the managing director, the board of directors can appoint up to five natural persons to assist the managing director under the title deputy managing director.

This also applies to the deputy managing directors, upon proposal from the managing director. In case of death, resignation or dismissal of the managing director, the deputy managing directors retain, unless decided otherwise by the board, their duties and attributions until the appointment of a new managing director.

The deputy managing directors can be dismissed by the board of directors at any time, on the proposal of the managing director.

In agreement with the managing director, the Board determines the extent and duration of the powers delegated to the deputy managing directors.

These powers may include a right of partial delegation. In case of death, resignation or dismissal of the managing director, they retain, unless decided otherwise by the board, their duties and attributions until the appointment of a new managing director.

With regard to third parties, the deputy managing directors have the same powers as the managing director.

The managing director commits the Company even with regard to actions not included in the corporate purpose unless it can be proven that the third party knew that the action was outside of this purpose or could not have been ignorant of this in view of the circumstances, without the mere publication of the articles of association being sufficient to establish this proof.

Any limitation of the powers of the managing director by the present articles of association or by a decision of the board of directors has no effect with regard to third parties.

ARTICLE 21 - ALLOWANCES AND REMUNERATION OF THE BOARD

The general meeting can allocate to the board members, as remuneration for their efforts, a fixed annual amount in the form of director's fees, the amount of which is included in the Company's operating expenses and distributed to the board members at the board's discretion.

The remuneration of the managing director and that of the deputy managing director(s) are set by the board.

ARTICLE 22 - CUSTODIAN

The custodian, selected by the board of directors, is the following:

SOCIETE GENERALE
29, boulevard Haussmann – 75009 Paris

The custodian is responsible for the duties incumbent on it in application of the regulations in force as well as those contractually conferred on it by the financial manager by delegation or by the Fund. It must, in particular ensure the regularity of the decisions taken by the portfolio management company. It must, if necessary, take all protective measures it deems appropriate. In the event of a dispute with the management company, it shall inform l'Autorité des marchés financiers.

ARTICLE 23 - PROSPECTUS

A prospectus has been prepared in compliance with the applicable regulations.

The board of directors or, if the Fund has delegated its overall management, the management company has all powers in order to make, if necessary, any modifications to ensure the proper management of the Company, all within the framework of the legislative and regulatory provisions specific to SICAV funds.

TITLE 4

STATUTORY AUDITORS

ARTICLE 24 - APPOINTMENT - POWERS - REMUNERATION

A statutory auditor is appointed by the management company's board of directors for a term of six financial years after approval from the Autorité des Marchés Financiers.

The auditor certifies the Accuracy and sincerity of the financial statements.

The auditor may be reappointed.

The auditor shall inform the Autorité des marchés financiers without delay of any fact or any decision concerning the undertaking for collective investment in transferable securities of which it became aware in carrying out its audit duties and which might:

1. constitute a breach of the legal or regulatory provisions applying to such undertaking and which could have a significant impact on the financial situation, result or assets;
2. jeopardise the conditions or continuity of operations;
3. result in the expression of qualifications or a refusal to certify the Accounts

The auditor shall supervise the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split.

The auditor shall be responsible for reviewing all contributions in kind.

The auditor shall check the composition of the assets and other information before any publication.

The auditor's fees are determined by mutual agreement between the auditor and the Board of Directors or the managing body of the management company on the basis of a work schedule indicating all duties deemed necessary.

In the event of a liquidation, the auditor shall value the amount of the assets and establish a report on the terms and conditions of such liquidation.

The auditor certifies the financial statements serving as the basis for the payment of interim dividends.

The auditor's fees are included in the management fees.

The ordinary general meeting will designate a Replacement Auditor in order to replace the Auditor in the event of a refusal, impediment, resignation or death.

TITLE 5

GENERAL MEETINGS

ARTICLE 25 – GENERAL MEETINGS

The annual general meetings of the shareholders are convened and deliberate according to legal requirements.

The annual general meeting, which must approve the Company's accounts, must be called within four months of the end of the financial year.

Meetings shall be held at the registered office or at any such other place as may be specified in the notice of meeting.

Any shareholder can participate, either personally or by representative, in the meetings upon providing proof of identity and of ownership of shares, in any form, either by personal registration or by depositing the holder shares or deposit certificate, at the locations indicated in the meeting invitation; the time period for carrying out these formalities ends three days before the meeting date.

A shareholder may be represented as provided for under Article L225-106 of the French Code of Commerce.

Any shareholder may submit a vote by mail in the manner prescribed by the applicable regulations.

The meetings are presided over by the chairman of the board of directors or, in the latter's absence, by a deputy chairman or board member delegated for this purpose by the board. Failing that, the meeting appoints its own chairman.

The minutes are drafted and the copies or extracts of the deliberations are provided and certified in compliance with the law.

TITLE 6

ANNUAL ACCOUNTS

ARTICLE 26 – FINANCIAL YEAR

The financial year begins on the day after the last calculation date of the net asset value in October and ends on the last calculation date of the net asset value in the same month of the following year.

Exceptionally, the first financial year will begin on the creation date of the Company and will end on 31 October 2002.

ARTICLE 27 - PROCEDURES FOR ALLOCATING INCOME AND AMOUNTS AVAILABLE FOR DISTRIBUTION

The board of directors approves the net income figure for the financial year, which, in accordance with legal requirements, is equal to interest payments, arrears, premiums, dividends, directors' fees and all other income derived from the fund's securities, plus income on temporarily available sums and minus management fees and borrowing costs.

Distributable income comprise:

1° Net income plus retained earnings and plus/minus the balance of the income adjustment account;

2° Capital gains, net of fees, minus capital losses, net of fees, realised during the financial year, plus net capital gains of the same nature realised in previous financial years that were not distributed or capitalised and plus/minus the balance of the capital-gains adjustment account.

The sums mentioned in paragraphs 1° and 2° may be distributed in whole or in part, independently of each other.

For each class of shares, the Fund may propose:

Pure accumulation: distributable income are fully capitalised with the exception of those that must be distributed by law;

Pure distribution: distributable income, rounded off to the nearest whole figure, are fully distributed, with the option of interim distributions;

Accumulation and/or Distribution: each year the board of directors decides how to allocate income. In the course of the financial year, the board of directors may decide to pay out one or more instalments of distributable income that have been booked on the date of the decision. Remaining distributable income shall be reinvested.

The decisions of the board of directors pertaining to the distributable income for each financial year are subject to approval of the General Meeting of Shareholders.

Procedures for income allocation and distributable income are specified in the prospectus.

TITLE 7

EXTENSION - DISSOLUTION - LIQUIDATION

ARTICLE 28 - EXTENSION OR EARLY DISSOLUTION

At any time and for any reason whatsoever, the board of directors can propose the extension or early dissolution or liquidation of the Fund to an extraordinary general meeting.

The issuing of new shares and the redemption by the Fund of shares for shareholders so requesting ends on the publication date of the notice for the general meeting during which will be proposed the Company's early dissolution and liquidation, or upon the expiry of the Company's duration.

ARTICLE 29 - LIQUIDATION

Liquidation procedures comply with Article L 214-12 of the French monetary and financial code (*Code Monétaire et Financier*).

TITLE 8

DISPUTES

ARTICLE 30 - COMPETENT COURTS - JURISDICTION

Any disputes that may arise during the life of the Company or upon its liquidation, either between the shareholders and the Company, or among the shareholders, and with regard to the affairs of the Company, are judged in compliance with the law and are subject to the jurisdiction of the courts responsible for the head office.

ADDITIONAL INFORMATION FOR INVESTORS FROM LUXEMBOURG

This Addendum provides information directed to investors in Luxembourg regarding the **MULTI UNITS FRANCE** (the « Company »), an investment company with variable capital incorporated under the French Law. This Addendum forms part of, and should be read in conjunction with the Prospectus (the "Prospectus") and the relevant Key Investor Information document ("KIID") of the Fund.

The Company has been approved on 04 March 2002 by the French *Autorité des Marchés Financiers* (AMF) as a « *fonds commun de placement* » incorporated under the French Law and in compliance with the 2009/65/EC Directive.

In accordance with the provisions of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment ("UCI") and in particular Chapter 14 on UCI located in another EU Member State proposing to market their units / shares in Luxembourg, the Company is registered with the *Commission de Surveillance du Secteur Financier* (CSSF) and is authorized to market the shares of the compartments duly registered in Luxembourg to the public.

Representative and paying agent in Luxembourg

SOCIETE GENERALE LUXEMBOURG, Luxembourg Branch has been appointed by LYXOR INTERNATIONAL ASSET MANAGEMENT, the Company's management company, to act as representative and paying agent for the Company in Luxembourg (the « **Representative and Paying Agent** ») in accordance with an agreement entered into between the management company and the Representative and Paying Agent on September 14th, 2012 (the « **Representative and Paying Agent Agreement** »).

Upon request from an investor, the Representative and Paying Agent, will provide free of charge, the Prospectus (including Fund' rules), KIID and latest audit statements.

Subscription and redemptions price of the units can be obtained at the following address:

Société Générale Luxembourg

11, avenue Emile Reuter
L-2420 Luxembourg

NAV publication

The latest NAV of the Fund will be published on the following website:

www.lyxoretf.com

Investment risks

It is recommended that investors must read carefully the "risk factors" section of the Fund's prospectus and the relevant key investor information document.

Notifications

The shareholders of the Company will be informed according to the rules applicable in home country of the Company.

Charges and commission fees

It is recommended that investors in Luxembourg read carefully the "Charges and commission fees" section in the Prospectus. Fees and expenses of the Paying Agent are at the usual rates according to Luxembourg market practice. They will not be invoiced to the Company.