Prospectus

Lyxor Selection Fund

Société d'Investissement à Capital Variable
organized under the laws of the Grand Duchy of Luxembourg

Lyxor Selection Fund (the "**Fund**") is a Luxembourg *Société d'Investissement à Capital Variable* composed of several separate sub-funds (each, a "Sub-Fund").

The Fund's objective is to provide investors access to a diversified management expertise through a range of several separate Sub-Funds, each having its own investment objective and policy.

July 2016

IMPORTANT INFORMATION

SHARES ARE NOT BEING OFFERED OR SOLD IN ANY JURISDICTION WHERE THE OFFER OR SALE IS PROHIBITED BY LAW OR TO ANY PERSON WHICH IS NOT QUALIFIED TO DO SO.

The Fund is an investment company with variable capital (SICAV) incorporated under the Law and listed on the official list of UCITS, authorised under Part I of the Law in accordance with the provisions of the UCITS Directive.

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

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

In order to take into account any material changes in the Fund (including, but not limited to the issue of new classes of Shares), this Prospectus will be updated when necessary. Therefore, prospective investors should inquire as to whether a new version of this Prospectus has been prepared and they should read the latest available Key Investor Information Document before investing (they may be asked to declare that they have received an up-to-date Key Investor Information Document).

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

Investor Responsibility

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

Targeted investors

The Fund targets both retail or natural persons and Institutional Investors. The profile of the typical investor per each Sub-Fund is described in each Key Investor Information Document and in the description of each relevant Sub-Fund.

Distribution and Selling Restrictions

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

At the date of this Prospectus, the Fund (in certain jurisdictions, specific Sub-Funds or Classes of Shares only) has been authorised for public or restricted offering in the countries listed in the annual report.
Shares have not been and will not be registered under the Securities Act (as amended) or the securities laws of any of the States of the United States. Shares may not be offered, sold or delivered directly or indirectly in the United States, or to or for the account or benefit of any "U.S. Person". Any re-offer or resale of any Shares in the United States or to U.S. Persons may constitute a violation of United States law. The Fund will not be registered under the United States Investment Company Act of 1940, as amended. Applicants for Shares will be required to certify that

they are not U.S. Persons. All Shareholders are required to notify the Fund of any change in their status as non-U.S. Person.

Reliance on this Prospectus and on the Key Investor Information Documents

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

Any further information or representations given or made by any distributor, intermediary, dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to make any representation in connection with the offering of Shares other than those contained in this Prospectus, the relevant Key Investor Information Document and (if applicable) any addendum hereto and in any subsequent semi-annual or annual financial report for the Fund and, if given or made, such information or representations must not be relied on as having been authorised by the Directors, the Management Company, the Investment Manager , the Custodian or the Administrator. Statements in this Prospectus and in the different Key Investor Information Documents are based on the law and practice currently in force in Luxembourg at the date hereof and are subject to change. Neither the delivery of this Prospectus or of the relevant Key investor Information Document nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Fund have not changed since the date hereof.

Prospective investors may obtain, free of charge, on request, a copy of this Prospectus and of any Key Investor Information Document relating to the Sub-Funds in which they invest, the annual and semi-annual financial reports of the Fund and the Articles of Incorporation at the registered office of the Fund, the Management Company or the Custodian.

Investment Risks

Investment in any Sub-Fund carries with it a degree of financial risk, which may vary among Sub-Funds. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested. Investment risk factors for an investor to consider are set out under section "*Principal Risk*" as well as in the description of each relevant Sub-Fund.

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

Data Protection

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

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

For additional copies of this Prospectus, or copies of the Key Investor Information Documents of each Sub-Fund or of most recent annual and semi-annual financial reports of the Fund or the Articles of Incorporation, please call Société Générale Bank & Trust (+352) 26 15 16 1 or write to Société Générale Bank & Trust, 28-32, Place de la gare, L-1616 Luxembourg.

DIRECTORY

***Board of Directors of the Fund*:**	**Chairman:** Xavier Blouin Managing Director 11, Emile Reuter L-2420 Luxembourg **Directors:** Jean-Marc Stenger Chief Investment Officer for Alternative Investments Lyxor Asset Management S.A.S 17, cours Valmy 92987 Paris-La Défense France Olivier Germain Lyxor Asset Management S.A.S 17, cours Valmy 92987 Paris-La Défense France
Management Company:	**Lyxor Asset Management S.A.S** Société Générale 17, cours Valmy 92987 Paris- La Défense France **President of the Management Company:** Lionel Paquin Lyxor Asset Management S.A.S 17, cours Valmy 92 987 Paris- La Défense France
Custodian and Paying Agent:	**Société Générale Bank & Trust** 11, Avenue Emile Reuter L-2420 Luxembourg
Administrator, Domiciliary and Corporate Agent:	**Société Générale Bank & Trust** 28-32 Place de la gare L-1616 Luxembourg
***Registrar Agent*:**	**Société Générale Bank & Trust** 28-32, Place de la gare L-1616 Luxembourg
Investment Manager:	**Lyxor International Asset Management S.A.S** Société Générale 17, cours Valmy 92987 Paris- La Défense France
Auditor of the Fund:	**Deloitte Audit S.à r.l.** 560, rue de Neudorf L-2220 Luxembourg

Auditor of the Management Company: **Deloitte Audit**
185, avenue Charles de Gaulle
9220 Neuilly-sur-Seine,
France

Luxembourg Legal Adviser: **Arendt & Medernach S.A.**
41A, avenue JF Kennedy
L-2082 Luxembourg.

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INTRODUCTION

The Fund is an "umbrella fund" divided into multiple Sub-Funds as set forth under the heading "*List of Available Sub-Funds*", each representing a separate portfolio of assets. Shares in any particular Sub-Fund will be further divided into different classes to accommodate different subscription, conversion and redemption provisions and/or fees and charges to which they are subject, as well as their availability to certain types of investors. All references to a Sub-Fund, shall, where the context requires, include any class of Shares that belongs to such Sub-Fund.

In each Sub-Fund, the Fund may, but is not required to, issue one or more of the following classes of Shares:
Class “A” Shares: class of Shares dedicated to retail investors and Institutional Investors;
Class “C” Shares: class of Shares dedicated to certain investors within the Société Générale group. Subscribers of class C Shares will have to be previously and expressly authorized by the Board of Directors of the Fund or its duly appointed delegate;
Class “F” Shares: class of Shares dedicated to collective investment schemes managed by the Management Company and its affiliates. Subscribers of class F Shares will have to be previously and expressly authorized by the Board of Directors of the Fund or its duly appointed delegate;
Class “I” Shares: class of Shares dedicated to Institutional Investors;
Class “G” Shares: class of Shares dedicated to retail and Institutional Investors who have concluded management mandates (discretionary or not) with portfolio managers of the Société Générale’ group.
Class “M” Shares: class of Shares dedicated to the clients of financial institutions authorized by the Management Company to offer and sell the Shares of the Fund to investors and handle subscription, redemption, conversion or transfer requests of Shareholders.

In order to protect present and futures assets and liabilities against the fluctuation of the relevant market, the Management Company may, in each Sub-Fund and for the account of some Share classes (the “Hedged Share classes”: AH, IH and MH) issued therein, purchase financial derivative instruments related to the relevant benchmark.

The objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transactions and the assets or liabilities to be hedged and implies that in principle transactions may not exceed the net asset value of such assets and liabilities.

The Fund has the possibility to create further Sub-Funds as well as further classes of Shares. When such new Sub-Funds or classes of Shares are created, this Prospectus will be amended accordingly, in order to provide all the necessary information on such new Sub-Funds and classes of Shares. A Key Investor Information Document relating to the new Sub-Funds will also be issued accordingly.

For further information on the classes of Shares, investors should refer to the chapter entitled "*Subscription, Transfer, Conversion and Redemption of Shares*" and to each Sub-Fund’s description issued by the Fund detailing the available classes for each Sub-Fund as well as their characteristics.

Fund

The Fund has been incorporated on August 28, 2006 for an unlimited period of time as a *société d'investissement à capital variable*.

The minimum capital of the Fund, as provided by law, which must be achieved within six months after the date on which the Fund has been authorized as a UCI under Luxembourg law, shall be the equivalent in U.S. Dollar of Euro 1,250,000.-. The initial capital of the Fund is U.S. Dollar 40.000. - divided into 40 Shares of no par value. The capital of the Fund is represented by fully paid up Shares of no par value. The share capital is at all times equal to the total net assets of all the Sub-Funds.

The Articles of Incorporation have been lodged with the registry of the District Court and a publication of such deposit made in the *Mémorial C*, *Recueil des Sociétés et Associations* of September 15, 2006, of September 18, 2009, of June 14, 2010 and of July 16, 2012.

The registered office of the Fund is located at 28-32, Place de la gare at L-1616 Luxembourg. The Fund is recorded in the Luxembourg Registre de Commerce under the number B 118801.

Under Luxembourg law, the Fund is a distinct legal entity. Each of the Sub-Funds, however, is not a distinct legal entity from the Fund. However, with regard to third parties and, in particular, with regard to the Fund's creditors and between Shareholders, each Sub-Fund shall be exclusively responsible for all liabilities attributable to it.

Management Company / Investment Manager

Management Company:

As from 1st September 2009, the Fund has designated under its responsibility and control, Lyxor Asset Management Luxembourg S.A. in replacement of SGAM Luxembourg S.A. to act as Management Company. As from 27th January 2014, the Fund has then designated Lyxor Asset Management S.A.S in replacement of Lyxor Asset Management Luxembourg S.A. to act as Management Company under Chapter 15 of the 2010 Law.

Lyxor Asset Management S.A.S has been appointed to serve as Management Company of the Fund in accordance with the Law pursuant to a Novation Agreement to the Management Company services agreement entered into between the Fund and Lyxor Asset Management Luxembourg S.A. and as may be amended from time to time. Under this agreement, the Management Company provides investment management, administrative and marketing services to the Fund, subject to the overall supervision and control of the Board of Directors of the Fund.

Lyxor Asset Management S.A.S has been incorporated on May 19, 1998 for a period of ninety-nine (99) years. Its registered office is established in France.

The capital is one hundred and sixty one million one hundred and six thousand three hundred Euros (EUR 161, 106, 300.00). The Articles of Incorporation were published in Registre de Commerce et des Sociétés of Nanterre – France as of May 19, 1998 and is registered under reference 418 862 215.

The Management Company was licensed as a portfolio management company by the Autorité des Marchés Financiers in accordance with Directive n°2009/65/CE. The Management Company is further acting as a management company for other funds.

The Management Company is in charge of the day-to-day operations of the Fund. In fulfilling its responsibilities set forth by the Law and the management company services agreement, it is permitted to delegate all or a part of its functions and duties to third parties, provided that it retains responsibility and oversight over such delegates. The appointment of third parties is subject to the approval of the Fund and the Regulatory Authority. The Management Company's liability shall not be affected by the fact that it has delegated its functions and duties to third parties.

The Management Company has delegated the following functions to third parties: transfer agency and administration. The Management Company has delegated the investment management function for certain Sub-Funds as more fully described hereinafter. The Management Company may further delegate marketing and distribution functions to third parties.

The Management Company shall at all time act in the best interests of the Shareholders and according to the provisions set forth by the Law, the Prospectus and the Articles of Incorporation.

The management company services agreement is for an indefinite period of time and may be terminated by either party upon 3 months' prior written notice or forthwith by notice in writing in the specific circumstances provided in such agreement.

Investment Manager:

The Management Company may delegate the management of the assets of each Sub-Fund to one or several Investment Manager(s) pursuant to an investment management agreement with each Investment Manager.

While the Management Company is at all times subject to the direction of the Board of Directors of the Fund, the management company services agreement and relevant investment management agreement provide that the Management Company or the relevant Investment Manager appointed by it are responsible for the management of the Sub-Funds. Therefore, the responsibility for making decisions to buy, sell or hold a particular security rests with the Management Company or the relevant Investment Manager appointed by it, subject to the control, supervision, direction and instruction of the Board of Directors of the Fund and respectively, as the case may be, of the Management Company.

The Management Company will receive a Management Fee as set forth in section "*Charges and Expenses*" of the Prospectus.

The Management Company will pay a fee on such Management Fees to the relevant Investment Manager.

The Management Company has appointed Lyxor International Asset Management S.A.S. ("LIAM") as Investment Manager of Lyxor MSCI Emerging Markets, Lyxor Euro Stoxx 50, Lyxor MSCI Europe, Lyxor MSCI USA, Lyxor MSCI World and Lyxor S&P 500 pursuant to an investment management agreement concluded between the Management Company and LIAM as may be amended from time to time. This agreement is for an unlimited period of time and may be terminated by either party upon 180 days' notice.

LIAM has been incorporated on June 12, 1998 for 99 (ninety nine) years. Its registered office is established in France.

Auditors of the Management Company:

The Board of Directors of the Management Company has appointed Deloitte Audit as the auditors of the Management Company.

INVESTMENT RESTRICTIONS

Unless more restrictive rules are provided for in the investment policy of any specific Sub-Fund, each Sub-Fund shall comply with the rules and restrictions detailed below.

The Board of Directors of the Fund shall, based upon the principle of risk spreading, have power to determine the corporate and investment policy for the investments for each Sub-Fund, the Base Currency, the Pricing Currency, as the case may be, and the course of conduct of the management and business affairs of the Fund.

The investment policy of each Sub-Fund shall comply with the rules and restrictions laid down hereafter:

A. Investments in the Sub-Funds shall consist solely of:

(1) Transferable Securities and Money Market Instruments listed or dealt in on a Regulated Market;

(2) Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;

(3) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange of an Other State or dealt in a Regulated Market in an Other State;

(4) recently issued Transferable Securities and Money Market Instruments, provided that:

- the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange in an Other State or a Regulated Market, as described under (1)-(3) above;

- such admission is secured within one year of issue;

(5) units of UCITS authorised according to the UCITS Directive and/or other UCIs within the meaning of the first and second indent of Article 1 (2) of the UCITS Directive, whether situated in a Member State or in an Other State, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured (currently the United States, Canada, Switzerland, Hong Kong, Norway and Japan);

- the level of protection for shareholders in such other UCIs is equivalent to that provided for shareholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and short sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;

- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;

- no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;

(6) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in EU law;

(7) financial derivative instruments, i.e. in particular options, futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or financial derivative instruments dealt in over-the-counter ("**OTC derivatives**"), provided that:

(i) the underlying consists of instruments covered by this Section A., financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objectives;

- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority; and

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

(ii) under no circumstances shall these operations cause the Sub-Fund to diverge from its investment objectives;

(8) Money Market Instruments other than those dealt on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:

- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or

- issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above; or

- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by EU law; or

- issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the three indents directly above and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (10,000,000.- Euro) and which presents and publishes its annual accounts in accordance with directive 78/660/EEC, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

(9) subject to the Articles of Incorporation providing for this type of investment, shares issued by one or several other Sub-Funds of the Fund (the "**Target Sub-Fund**"), under the following conditions:

- the Target Sub-Fund does not invest in the investing Sub-Fund;

- not more than 10 % of the assets of the Target Sub-Fund may be invested in other Sub-Fund;

- the voting rights linked to the transferable securities of the Target Sub-Fund are suspended during the period of investment;

- in any event, for as long as these securities are held by the Fund, their value will not be taken into consideration for the calculation of the Net Asset Value for the purposes of verifying the minimum threshold of the net assets imposed by the 2010 Law; and

there is no duplication of management/subscription or repurchase fees between those at the level of the Sub-Fund having invested in the Target Sub-Fund and this Target Sub-Fund.

B. Each Sub-Fund may however:

(1) Invest up to 10% of its assets in assets other than those referred to above under A (1) through (8).

(2) Hold cash on an ancillary basis; such restriction may exceptionally and temporarily be exceeded if the Fund considers this to be in the best interest of the Shareholders.

(3) Borrow up to 10% of its assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.

(4) Acquire foreign currency by means of a back-to-back loan.

C. In addition, the Fund shall comply in respect of the assets of each Sub-Fund with the following investment restrictions per issuer:

(a) Risk Diversification rules

For the purpose of calculating the restrictions described in (1) to (5), (8), (9), (13) and (14) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.

To the extent an issuer is a legal entity with multiple portfolios where the assets of a portfolio are exclusively reserved to the investors in such portfolio and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that portfolio, each portfolio is to be considered as a separate issuer for the purpose of the application of the risk spreading rules described under items (1) to (5), (7) to (9) and (12) to (14) hereunder.

- Transferable Securities and Money Market Instruments

(1) No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:

(i) upon such purchase more than 10% of its assets would consist of Transferable Securities or Money Market Instruments of one single issuer; or

(ii) the total value of all Transferable Securities and Money Market Instruments of issuers in each of which it invests more than 5% of its assets would exceed 40% of the value of its assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

(2) A Sub-Fund may invest on a cumulative basis up to 20% of its assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.

(3) The limit of 10% set forth above under (1)(i) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).

(4) The limit of 10% set forth above under (1)(i) is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public supervision in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its assets in qualifying debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the assets of such Sub-Fund.

(5) The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1)(ii).

(6) Notwithstanding the ceilings set forth above, each Sub-Fund is authorized to invest, in accordance with the principle of risk spreading, up to 100% of its assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any other member state of the OECD such as the United States or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the total assets of such Sub-Fund.

(7) Without prejudice to the limits set forth hereunder under (b), the limits set forth in (1) are raised to a maximum of 20% for investments in stocks and/or bonds issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognized by the Regulatory Authority, on the following basis:

- the composition of the index is sufficiently diversified,

- the index represents an adequate benchmark for the market to which it refers,

- it is published in an appropriate manner.

The limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

- Bank Deposits

(8) A Sub-Fund may not invest more than 20% of its assets in deposits made with the same body.

- Derivative Instruments

(9) The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's assets when the counterparty is a credit institution referred to in A. (6) above or 5% of its assets in other cases.

(10) Investment in financial derivative instruments shall only be made, and within the limits set forth in (2), (5) and (14), provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (1) to (5), (8), (9), (13) and (14). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits set forth in (1) to (5), (8), (9), (13) and (14).

(11) When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of C (a) (10) and (D) hereunder as well as with the risk exposure and information requirements laid down in the sales documents of the Fund.

- Units of Open-Ended Sub-Funds

(12) No Sub-Fund may invest more than 20% of its assets in the units of a single UCITS or other UCIs.

For the purpose of the application of this investment limit, each portfolio of a UCI with multiple portfolios within the meaning of Article 133 of the 2010 Law is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various portfolios vis-à-vis third parties is ensured. Investments made in units of UCIs, other than UCITS may not in aggregate exceed 30% of the assets of a Sub-Fund.

When a Sub-Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding, the Management Company or other company may not charge subscription or redemption fees on account of the Sub-Fund's investment in the units of such other UCITS and/or UCIs.

A Sub-Fund that invests a substantial proportion of its assets in other UCITS and/or other UCIs shall disclose in the Prospectus the maximum level of the management fees that may be charged both to the Sub-Fund itself and to the other UCITS and/or other UCIs in which it intends to invest. In its annual financial report, the Fund shall indicate the maximum proportion of asset management fee charged both to the Sub-Fund itself and to the UCITS and/or other UCIs in which it invests.

Master-Feeder structures

A Sub-Fund may act as a feeder fund (the “**Feeder**”) of a UCITS or of a compartment of such UCITS (the “**Master**”), which shall neither itself be a feeder fund nor hold units/shares of a feeder fund. In such a case the Feeder shall invest at least 85% of its assets in shares/units of the Master.

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

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

• Combined limits

(13) Notwithstanding the individual limits laid down in (1), (8) and (9) above, a Sub-Fund may not combine:
- investments in Transferable Securities or Money Market Instruments issued by,

- deposits made with, and/or
- exposures arising from OTC derivative transactions undertaken with,
a single body in excess of 20% of its assets.

(14) The limits set out in (1), (3), (4), (8), (9) and (13) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with (1), (3), (4), (8), (9) and (13) above may not exceed a total of 35% of the assets of each Sub-Fund.

(b) Limitations on Control

(15) No Sub-Fund may acquire such amount of shares carrying voting rights which would enable the Fund to exercise a significant influence over the management of the issuer.

(16) The Fund as a whole may acquire (i) more than 10% of the outstanding non-voting shares of any one issuer; (ii) more than 10% of the outstanding debt securities of any one issuer; (iii) more than 10% of the Money Market Instruments of any one issuer; or (iv) more than 25% of the outstanding shares or units of any one UCITS and/or UCI.

The limits set forth in (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

The ceilings set forth above under (15) and (16) do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;

- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;

- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s);

- shares in the capital of a company which is incorporated under or organized pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investment policy the restrictions set forth under C., items (1) to (5), (8), (9) and (12) to (16); and

- shares in the capital of subsidiary companies which, exclusively on behalf of the Fund carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of Shares at the request of Shareholders.

D. In addition, the Fund shall comply in respect of its assets with the following investment restrictions per instrument:

Each Sub-Fund shall ensure that its global risk exposure relating to financial derivative instruments does not exceed its total net value.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

E. Finally, the Fund shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:

(1) No Sub-Fund may acquire commodities or precious metals or certificates representative thereof. For the avoidance of doubt, transactions in foreign currencies, financial instruments, indices, or Transferable Securities as well as futures and forward contracts, options and swaps are not considered as commodities for the purposes of this restriction.

(2) No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

(3) No Sub-Fund may issue warrants or other rights to subscribe for its Shares.

(4) A Sub-Fund may not grant loans or guarantees in favor of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under A., items (5), (7) and (8).

(5) No Sub-Fund may enter into short sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under A., items (5), (7) and (8).

F. Notwithstanding anything to the contrary herein contained:

(1) The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to Transferable Securities and Money Market Instruments in such Sub-Fund's portfolio.

(2) If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its Shareholders.

The Fund has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Fund are offered or sold.

G. Global Risk Exposure and Risk Management:

The Fund must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions in its portfolios and their contribution to the overall risk profile of its portfolios.

In relation to financial derivative instruments the Fund must employ a process (or processes) for accurate and independent assessment of the value of OTC derivatives and the Fund shall ensure for each Sub-Fund that its global risk exposure relating to financial derivative instruments does not exceed the total net value of its portfolio.

The global risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Each Sub-Fund may invest, according to its investment policy and within the limits laid down within "*Investment Restrictions*" and "*Special Investment and Hedging Techniques*", in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in "*Investment Restrictions*".

When a Sub-Fund invests in index-based financial derivative instruments, these investments do not necessarily have to be combined to the limits laid down in "*Investment Restrictions*" item C (a) (1)-(5), (8), (9), (13) and (14).

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

Whenever risk management processes adequate to perform the functions described above are employed on behalf of the Fund by the Management Company and/or appointed Investment Managers in managing the Sub-Funds, they are deemed to be employed by the Fund.

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

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

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

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

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

EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES

I. General

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

The risk exposure to a counterparty generated through efficient portfolio management techniques must be combined when calculating counterparty risk limits referred to under section “Investment Restrictions” above.

All revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs and fees, will be returned to the Management Company. In particular, fees and cost may be paid to agents of the Management Company and other intermediaries providing services in connection with efficient portfolio management techniques as normal compensation of their services. Such fees may be calculated as a percentage of gross revenues earned by the Management Company through the use of such techniques. Information on direct and indirect operational costs and fees that may be incurred in this respect as well as the identity of the entities to which such costs and fees are paid – as well as any relationship they may have with the Custodian or any Investment Manager – will be available in the annual report of the Fund.

When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in "*Investment Restrictions*".

II. Swap Agreements

The Sub-Funds may also enter into swaps (such as interest rates swaps, total return swaps or total rate of return swaps) or contracts for differences.

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

- each of these swap contracts shall be entered into with first class financial institutions, subject to prudential supervision and belonging to the categories of counterparties approved by the Regulatory Authority, that specialize in these types of transactions; and
- all such permitted swap transactions must be executed on the basis of industry accepted documentation/standardized documentation, such as the ISDA Master Agreement.

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

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

Contracts for differences are equity derivatives that allow users to speculate on share price movements and to benefit of trading shares or indices, without the need for ownership of the shares or indices at a small percentage of the cost of owning the shares or indices. Contracts for differences provide an opportunity for short term trading strategies. Contracts for differences are traded OTC.

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

III. Securities Lending Transactions

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

(i) The borrower in a securities lending transaction must be subject to prudential supervision rules considered by the Regulatory Authority as equivalent to those prescribed by Community law;

(ii) The Fund may only lend securities to a borrower either directly or through a standardised system organised by a recognised clearing institution or through a lending system organised by a financial institution subject to prudential supervision rules considered by the Regulatory Authority as equivalent to those provided by Community law and specialised in this type of transaction;

(iii) The Fund may only enter into securities lending transactions provided that it is entitled at any time under the terms of the agreement to request the return of the securities lent or to terminate the agreement.

IV. Warrants

Some Sub-Funds may invest in warrants to purchase common stock. The gearing effect of investments in warrants and the volatility of warrant prices make the risks attached to investments in warrants higher than is the case with investments in equities.

V. Repurchase and Reverse Repurchase Transactions

The Fund may, on an ancillary or a principal basis, enter into repurchase agreement and reverse repurchase agreement transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and term specified by the two parties in their contractual arrangement.

The Fund can act either as purchaser or seller in repurchase agreement and reverse repurchase agreement transactions or a series of continuing repurchase and reverse repurchase agreement transactions. Its involvement in such transactions is, however, subject to the following rules:

(i) The counterparty to these transactions must be subject to prudential supervision rules considered by the Regulatory Authority as equivalent to those provided by Community law;

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

COLLATERAL POLICY

General

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

Eligible Collateral

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

a) Any collateral received other than cash should be of high quality, highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation;
b) It should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
c) It should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
d) It should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure of 20% of the Sub-Fund's net asset value to any single issuer on an aggregate basis, taking into account all collateral received;
e) It should be capable of being fully enforced at any time without reference to or approval from the counterparty.

Notwithstanding the condition specified in (d) above, the Sub-Fund may accept collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
- Such collateral is issued by (i) a Member State, (ii) one or more of its local authorities, (iii) a third country, or (iv) a public international body to which one or more Member States belong and;
- Such collateral consists of at least six different issues, but collateral from any single issue shall not account for more than 30 % of the Sub-Fund's net assets.

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

a) Cash and cash equivalents, including short-term bank certificates and Money Market Instruments;
b) Bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or by supranational institutions and undertakings with EU, regional or worldwide scope;
c) Shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent;
d) Shares or units issued by UCITS investing mainly in bonds/shares mentioned in (e) and (f) below;
e) Bonds issued or guaranteed by first class issuers offering adequate liquidity;
f) Shares admitted to or dealt in on a regulated market of a Member State of the EU or on a stock exchange of a Member State of the OECD, on the condition that these shares are included in a main index.

Level of Collateral

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

Haircut Policy

A haircut may be applied to the value of the securities acquired by the Fund as collateral for OTC financial derivatives transactions and efficient portfolio management techniques. Such haircut will be determined by the Management Company based on criteria, including, but not limited to:
- nature of the security
- maturity of the security (when applicable)
- the security issuer rating (when applicable)

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

Eligible Collateral Type	Margin
(a)	100% - 102%
(b)	100% - 110%
(c)	100% - 102%
(e)	100% - 115%
(f)	100% - 135%

Collateral types denominated in a currency other than the Reference Currency may be subject to an additional haircut.

Reinvestment of Collateral

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

Cash collateral received by the Fund can only be:

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

b) invested in high-quality government bonds;

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

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

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

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

PRINCIPAL RISKS

Each separate security in which a Sub-Fund may invest and the investment techniques which a Sub-Fund may employ, are subject to various risks. The following describes some of the general risk factors that should be considered before investing in a particular Sub-Fund. The following list is neither specific nor exhaustive and a financial adviser or other appropriate professional should be consulted for additional advice.

Investment and Trading Risks in General:
All securities investments involve a risk of loss of capital. An investment in the Sub-Funds involves a high degree of risk; including the risk that the entire amount invested may be lost. The investment program of the Sub-Funds may at times entail limited portfolio diversification, which practice can, in certain circumstances, substantially increase the impact of adverse price movements in respect of such instruments on the relevant Sub-Fund's investment portfolio. In addition, the Sub-Funds are subject to the risk of broad market movements that may affect adversely the Sub-Funds' results. No guarantee or representation can be made as to the future success of the investment program of the Sub-Funds, or that the Sub-Funds' investment program will have a significant correlation with any market or index.

Use of Efficient Portfolio Management Techniques and Derivatives:
The Sub-Funds may employ efficient portfolio management techniques relating to Transferable Securities and other financial liquid assets in order to increase or decrease their exposure to changing security prices, interest rates, currency exchange rates, commodity prices or other factors that affect security values and for hedging purposes. These techniques may include the use of forward currency exchange contracts, contracts for differences, futures and option contracts, swaps and other investment techniques.

Participation in the futures and option markets, in currency exchange or swap transactions involves investment risks and transactions costs to which the Sub-Funds would not be subject in the absence of the use of these strategies.

As contracts for differences are directly linked to the value of the underlying assets they will fluctuate depending on the market of the assets represented in the contracts for differences.

The principal risk when engaging in securities lending, repurchase or reverse repurchase transactions is the risk of default by a counterparty who has become insolvent or is otherwise unable or refuses to honour its obligations to return securities or cash to the Fund as required by the terms of the transaction. Counterparty risk is mitigated by the transfer or pledge of collateral in favour of the Fund. However, securities lending, repurchase or reverse repurchase transactions may not be fully collateralised. Fees and returns due to the Fund under securities lending, repurchase or reverse repurchase transactions may not be collateralised. In addition, the value of collateral may decline in between collateral rebalancing dates or may be incorrectly determined or monitored. In such a case, if a counterparty defaults, the Fund may need to sell non-cash collateral received at prevailing market prices, thereby resulting in a loss to the Fund.

A Fund may also incur a loss in reinvesting cash collateral received. Such a loss may arise due to a decline in the value of the investments made. A decline in the value of such investments would reduce the amount of collateral available to be returned by the Fund to the counterparty as required by the terms of the transaction. The Fund would be required to cover the difference in value between the collateral originally received and the amount available to be returned to the counterparty, thereby resulting in a loss to the Fund.

Securities lending, repurchase or reverse repurchase transactions also entail operational risks such as the non-settlement or delay in settlement of instructions and legal risks related to the documentation used in respect of such transactions.

A Sub-Fund may enter into securities lending, repurchase or reverse repurchase transactions with other companies in the same group of companies as the Management Company or the relevant Investment Manager. Affiliated counterparties, if any, will perform their obligations under any securities lending, repurchase or reverse repurchase transactions concluded with the Sub-Fund in a commercially reasonable manner. In addition, the Management Company or the relevant Investment Manager will select counterparties and enter into transactions in accordance with best execution and at all times in the best interests of the Sub-Fund and its investors. However, investors should be aware that the Management Company or the relevant Investment Manager may face conflicts between its role and its own interests or that of affiliated counterparties.

The Fund may use these techniques to adjust the risk and return characteristics of a Sub-Fund’s investments. If the Management Company or the relevant Investment Manager judge market conditions incorrectly or employ a strategy that does not correlate well with a Sub-Fund’s investments, these techniques could result in a loss, regardless of whether the intent was to reduce risk or increase return. These techniques may increase the volatility of a Sub-Fund and may involve a small investment of cash relative to the magnitude of the risk assumed. In addition, these techniques could result in a loss if the counterparty of the transaction does not perform as promised. Sub-Funds engaging in swap transactions are also exposed to a potential counterparty risk. In the case of insolvency or default of the swap counterparty, the Sub-Fund involved could suffer a loss.

There can be no assurance that the Management Company or the relevant Investment Manager will be able to successfully hedge the Sub-Funds or that the Sub-Funds will achieve their investment objectives.

Absence or Lack of Diversification:
Although some of the Sub-Funds will write call options and purchase put options in order to hedge certain of their equity securities positions, the Sub-Funds’ portfolios will only consist of equity securities positions that are net long, and such positions will be comprised of a subset of the aggregate long equity positions. Furthermore, there is no requirement that the Sub-Funds be diversified with respect to industry or geography. Accordingly, the relevant Sub-Funds’ portfolios may be subject to greater volatility and risk of loss than is the case with respect to a more widely diversified portfolio.

Limited Hedging:
Some Sub-Funds will engage in limited hedging activities, in as much as the Sub-Funds may only employ limited hedging techniques (write call options, purchase put options, futures contracts or other derivatives). The Sub-Funds may not maintain such hedged positions if doing so would create a net short position with respect to such security, and the Sub-Funds may not engage otherwise in short-selling strategies at any time. As a general matter, these limitations on the Sub-Funds’ ability to enter into hedging transactions may prevent the Sub-Funds from minimizing potential losses in ways available to traditional hedge funds, particularly in a market environment in which the value of equities is generally declining.

Use of Options:
Some Sub-Funds will enter into certain types of options transactions, such as purchasing call options and put options and writing call options in respect of equity securities concurrently held by the Sub-Funds. The market for options is highly volatile. Hence, the risks involved in options investing may be substantial. If the Sub-Funds buy a call or put option, they may lose the entire premium paid for such option, unless it becomes profitable to exercise such option before its expiration date. If the Sub-Funds sell a call option, the market price of the underlying security may rise above the exercise price causing the Sub-Funds to lose the opportunity for gain on the underlying security (assuming the security was purchased for less than the exercise price).

Investments in Undervalued Securities:
One of the primary objectives of some of the Sub-Funds is to invest in undervalued equity securities. The identification of investment opportunities in undervalued securities is a difficult task, and there can be no assurance that such opportunities will be identified or implemented successfully. In addition, the relevant Sub-Funds may be required to hold such securities for a substantial period of time before realizing their anticipated value. During this period, a portion of the relevant Sub-Funds resources would be committed to the securities purchased, thus possibly preventing the Sub-Funds from investing in other investment prospects. While investments in undervalued securities offer chances for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Sub-Funds investments may not compensate adequately for the business and financial risks assumed from such investments.

Non-U.S. Investments:
Although not expected to be a significant part of the Sub-Funds' portfolios, some Sub-Funds may invest in equity securities traded on non-U.S. exchanges, as well as options, warrants, contracts for differences and other similar instruments. Investing in such securities involves certain considerations not usually associated with investing in securities traded on U.S. exchanges. These considerations include, but are not limited to: (a) greater risks of expropriation, change in monetary policy, and confiscatory taxation; (b) repatriation of taxes on interest, capital gain, or other income, and nationalization; (c) potential difficulties of general social, political and economic instability; (d) potential lack of liquidity, price volatility, market manipulation and limited regulation associated with small securities markets and low trading volume in such countries; and (e) fluctuations in the rates for currency exchange, currency conversion costs and potential risk of the imposition of restrictions on currency conversions by foreign regulatory authorities. In addition, accounting and financial reporting standards that exist in foreign countries may be lower than those in the United States. This may result in less information being available for investors in issuers whose stock is traded in foreign countries as compared to information received by investors whose securities trade on U.S. exchanges. Furthermore, transaction costs of investing outside the United States may be higher than in the United States. Non-U.S. markets also have different clearance and settlement procedures that in some markets have failed at times to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could affect adversely the relevant Sub-Fund's performance.

Small Market Capitalization Companies:
The risks relating to the Sub-Funds' investment in the securities of small market capitalization companies include without limitation: (a) the tendency of the securities of such companies to be less liquid, and subject to more abrupt or erratic market movements, than securities of larger, more established companies, because such companies' securities typically are traded in lower volume and with less frequency; (b) the tendency of such companies to be more subject to changes in earnings and prospects than larger, more established companies; (c) the tendency of such companies to be more dependent on limited financial resources, to have more limited product lines and markets, and to have smaller numbers of individuals in such companies management than larger, more established companies; (d) the relatively strong tendency of such companies to be involved in actual or anticipated reorganizations or restructurings which may, among other risks, present difficulty in obtaining information as to the financial condition of such companies; (e) the greater susceptibility of such companies to poor economic or market conditions and to changes in interest rates and borrowing costs; and (f) the relative infrequency with which such companies pay significant dividends.

Mid-Sized Companies:
Investments in mid-sized companies may involve greater risks than investments in larger companies, including fewer managerial and financial resources. In addition, stocks of mid-sized companies can be more volatile than stocks of larger issuers. At the same time, mid-sized companies may not be as nimble as smaller companies in responding to competitive challenges.

Large Capitalization Companies:
Sub-Funds investing in large capitalization companies may under-perform certain other stock funds (those emphasizing small company stocks, for example) during periods when large company stocks are generally out of favour. Also larger, more established companies are generally not nimble and may be unable to respond quickly to competitive challenges, such as changes in technology and consumer tastes, which may cause the Sub-Funds' performance to suffer.

Increased Cost of Frequent Trading:
Frequent purchases and sales may be required to implement some Sub-Funds' investment program. More frequent purchases and sales will increase the commission costs and certain other expenses involved in such Sub-Funds operations. These costs are borne by the Sub-Funds, regardless of the profitability of the Sub-Funds' investment and trading activities.

Clearing and Settlement:

Transactions entered into by some Sub-Funds may be executed on various U.S. and non-U.S. exchanges (although it is expected that a significant majority of its transactions will be executed in the United States), and may be cleared and settled through various clearinghouses, custodians, depositories, brokers, and dealers throughout the world. Although the Sub-Funds will attempt to execute, clear, and settle transactions through entities that the Management Company or the Investment Manager believes to be sound, there can be no assurance that a failure by any such entity will not lead to a loss to the relevant Sub-Fund.

Conflicts of Interest:

The Management Company and the Investment Manager may act as investment advisors to various funds and accounts some of which employ investment strategies that overlap, to some degree, with those of the Sub-Funds. The investment management agreement as agreed between the Management Company and the Investment Manager does not impose any specific obligations or requirements concerning the allocation of investment opportunities, time, or effort to the Sub-Funds or any restrictions on the nature or timing of investments for the account of the Sub-Funds and for the Investment Manager’s own account or for other accounts which the Investment Manager or its affiliates may manage (other than restrictions and requirements discussed herein). Accordingly, the Investment Manager is not obligated to devote any specific amount of time to the affairs of the relevant Sub-Fund and is not required to accord exclusivity or priority to such Sub-Fund in the event of limited investment opportunities, provided that the Investment Manager will act in a manner that it consider fair and reasonable in allocating investment opportunities. From time to time, the principals of the Investment Manager may serve on the boards of directors or other governing bodies of companies whose securities are, or may be, traded by the Sub-Funds or by the proprietary accounts of the Investment Manager, their principals or affiliates or other accounts that they control. In addition, some Sub-Funds or such proprietary accounts may trade the securities of affiliates, investors, customers, suppliers, service providers, or lenders of, or joint ventures with, such portfolio companies. In serving as directors or other governing members of such portfolio companies, such individuals will have a fiduciary duty to such companies and will be required to act in the best interests of such companies, and such individuals and accounts that they control will be restricted at certain times from trading the securities of such companies. None of the foregoing activities should interfere substantially with the commitment of time necessary for the Investment Manager or its principals to perform its responsibilities to the relevant Sub-Fund.

Other Accounts of Investment Manager:

The Investment Manager may also manage other accounts besides the Sub-Funds (including other accounts in which the Investment Manager may have an interest) and may have financial and other incentives to favor such accounts over the Sub-Fund. When investing on behalf of other accounts, as well as the Sub-Fund, the Investment Manager must allocate its resources, as well as limited market opportunities. Doing so may not only increase the level of competition for trades the Sub-Fund might otherwise make, including the priorities of order entry, but also may make it difficult or impossible to take or liquidate a particular position at a price indicated by the Investment Manager's strategy.

The Investment Manager and its principals, in managing accounts other than those of the Sub-Fund, may employ trading methods, policies and strategies which differ from those of the Sub-Fund. Therefore, the results of the Sub-Fund's trading may differ from those of the other accounts traded by the Investment Manager.

The Investment Manager may purchase and sell positions for the account of a Sub-Fund in proportion to all of the investment portfolios managed by the Investment Manager and allocate positions bought or sold for the account of the Sub-Fund in such quantities it deem fair and equitable in the aggregate and/or pursuant to systematic allocation. Accordingly there may be instances when the Investment Manager does not purchase positions for the account of the Sub-Fund even though it may be extremely optimistic about the prospects of an issuer or instances where positions of the Sub-Fund are sold even though the Investment Manager's assessment of the position has not changed.

Capital Erosion Risk:

Investors should note that as Management Fees, inter alia, may be charged to the capital as well as to the income of the Sub-Funds, upon redemption of Shares investors may not receive back the full amount of their original investment. Investors should also note that the Net Asset Value calculation takes account of both realised and unrealised capital gains and losses.

Foreign Exchange/Currency Risk:

Although Shares of the different classes within the relevant Sub-Fund may be denominated in U.S.$, EUR, JPY, GBP and CHF, the Sub-Funds may invest the assets related to a class of Shares in securities denominated in a wide range of other currencies. The Net Asset Value of the relevant class of Shares of the relevant Sub-Fund as expressed in the Pricing Currency will consequently fluctuate in accordance with the changes in foreign exchange rate between the Pricing Currency and the currencies in which the Sub-Funds' investments are denominated.

The Sub-Fund may therefore be exposed to a foreign exchange/currency risk. It may be not be possible or practicable to hedge against the consequent foreign exchange/currency risk exposure.

The Management Company or the Investment Manager may enter into currency transactions within the limits described under "*Investment restrictions*" below at his sole discretion.

Risk of Temporary Illiquidity:
In order to reduce volatility or regulate operations, certain markets limit price movements by introducing daily fluctuation limits. The prices may not, throughout a single trading session, fluctuate beyond limits set on the basis of the closing prices on the preceding day and no transaction may be passed beyond these limits. Such limits may consequently prevent the Sub-Funds from liquidating rapidly unfavourable positions.
It can also occur that the Sub-Funds may not obtain prices to their satisfaction when the volume dealt on the market is insufficient regarding the positions to be liquidated. It is, moreover, possible that a stock exchange suspends transactions on a certain market.

Changes in Applicable Law:
The Sub-Funds must comply with various legal requirements, including securities laws and tax laws as imposed by the jurisdictions under which they operate. Should any of those laws change over the life of the Sub-Funds, the legal requirement to which the Sub-Funds and its Shareholders may be subject could differ materially from current requirements.

Quantitative Trading Strategies:
Quantitative trading strategies, including statistical arbitrage, are highly complex, and, for their successful application, require relatively sophisticated mathematical calculations and relatively complex computer programs. Such trading strategies are dependent upon various computer and telecommunications technologies and upon adequate liquidity in the markets traded. Due to the high trading volume nature of statistical arbitrage, the transaction costs associated with the strategy may be significant. In addition, the "slippage" from entering and exiting positions may be significant and may result in losses.

Long Equity Exposure:
Some of the Sub-Funds' strategy may involve long, un-hedged or only partially hedged investments in, and exposure to, equities. Such investments may decline in value in the event of general equity market declines.

Futures Trading:
The ability to use futures may be limited by market conditions, regulatory limits and tax considerations. The use of futures involves certain special risks, including (i) dependence on the Management Company or the Investment Manager's ability to predict movements in the price of interest rates, securities and currency markets; (ii) imperfect correlation between movements in the securities or currency on which a futures contract is based and movements in the securities or currencies; (iii) the absence of liquid market for any particular instrument at any particular time.

Investment in Warrants:
Warrants confer on the investor the right to subscribe a fixed number of ordinary shares in the relevant company at a pre-determined price for a fixed period.

The cost of this right will be substantially less than the cost of the share itself. Consequently the price movements in the share will be multiplied in the price movements of the warrant. This multiplier is the leverage or gearing factor; the higher the leverage the more attractive the warrant. One may make comparisons or relative worth among warrants considering the premium paid for such rights and the amount of leverage imbedded in the warrants. The levels of the premium and gearing can increase or decrease with investor sentiment. Warrants are therefore more volatile and speculative than ordinary shares. Investors should be warned that prices of warrants are extremely volatile and that furthermore, it may not always be possible to dispose of them.

Counterparty risk:
Cash held by a counterparty in terms of an agreement may not be treated as client money subject to the protection conferred by the local rules and accordingly may not be segregated; it could be used by the counterparty in the course of its investment business and the relevant Sub-Fund may therefore rank as an unsecured creditor in relation thereto.

A Sub-Fund may also be exposed to a credit risk on the counterparties with which it trades in relation to non-exchange traded futures, options, contracts for differences, swaps and efficient portfolio management techniques. Non-exchange traded futures, options, contracts for differences, swaps and efficient portfolio management techniques are agreements specifically tailored to the needs of an individual investor that enable the user to structure precisely the date, market level and amount of a given position. Non-exchange traded futures, options, contracts for differences, swaps and efficient portfolio management techniques are not afforded the same protections as may apply to participants trading futures, options, contracts for differences, swaps and efficient portfolio management techniques on organized exchanges, such as the performance guarantee of an exchange clearing house. The counterparty for these agreements will be the specific company or firm involved in the transaction, rather than a recognized exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which the Sub-Fund trades such options or contracts for differences could result in substantial losses to the Sub-Fund.

Over-the-counter (OTC) financial derivative instruments (including total return swaps and other derivatives with similar characteristics) used by the Sub-Fund to gain exposure to underlying assets will be entered into with counterparties selected among first class financial institutions specialised in the relevant type of transaction, subject to prudential supervision and belonging to the categories of counterparties approved by the Regulatory Authority.

Where a Sub-Fund enters into OTC derivative transactions it is exposed to increased credit and counterparty risk, which the Management Company and/or the Investment Manager will aim to mitigate by the collateral arrangements.

Finally, a Sub-Fund may also be exposed to a credit risk on counterparties with whom it trades securities, and may bear the risk of settlement default.

Risk of Losses:
The investments and the positions held by a Sub-Fund are subject to (i) market fluctuations, (ii) reliability of counterparts and (iii) operational efficiency in the actual implementation of the strategy adopted by the Sub-Fund in order to realise such investments or take such positions. Consequently, the investments of the Sub-Fund are subject to, inter alia, market risks, credit exposure and operational risks.

At any time, the occurrence of any such risks, as well as any other adverse event having a negative impact on the value of the investments of a Sub-Fund, are likely to generate a significant depreciation in the value of the Shares.

Volatility:
Investors should be aware that the Sub-Fund Net Asset Value can be very volatile and consequently that they may experience substantial changes in the value of their investment. This volatility is expected to magnify the potential for depreciation, as well as appreciation, in the Sub-Fund Net Asset Value.

Investment in units or shares of UCIs or UCITS:
Investments in a Sub-Fund may involve a number of significant risk factors directly or indirectly due to the fact that such Sub-Fund may invest in other UCIs or UCITS (the “Underlying Funds”). Potential investors and more generally any and all persons interested in or relying on the performance of such Sub-Fund should be aware that such performance will depend to a considerable extent on the performance of the Underlying Funds in which the Sub-Fund may invest.

When investing in units/shares of some Sub-Funds of the Fund which in turn may invest in other Underlying Funds, the investors are subject to the risk of duplication of fees and commissions. Whether or not profitable most Underlying Funds in which a Sub-Fund may invest are required to pay a flat management fee and incentive or performance fees. Such fees will be paid by the Sub-Fund as an investor in such Underlying Funds in addition to any other fees that may be otherwise paid out of the assets of the Fund, except that if a Sub-Fund invests in other Underlying Funds managed by the Management Company or sponsored by the promoter of the Fund, the Sub-Fund will not be charged any subscription and redemption fees with respect to such investment.

General Economic and Market Conditions:
The success of an Underlying Fund’s activities will be affected by general economic and market conditions, such as interest rates, mortgage prepayment rates, availability of credit, inflation rates, economic uncertainty, and changes in laws. These factors may affect the level and volatility of prices of financial instruments and the liquidity of the investments of the Underlying Fund. Volatility or illiquidity could impair the Underlying Fund’s profitability or result in losses.

Fraud or Misrepresentation:
The Sub-Fund investing in Underlying Funds cannot protect against the risk of fraud or misrepresentation on the part of any manager of an Underlying Fund.

Risk linked to investments in alternative investment strategies:
Some Sub-Funds may invest in Underlying Funds pursuing alternative investment strategies which may in particular expose such Sub-Funds to the following risk factors:

Illiquidity:
Some Underlying Funds in which the Sub-Fund may invest may have certain restrictions on liquidity. Difficulties which Underlying Funds may encounter in liquidating their investments may result (i) in delays in the calculation of net asset values and/or in the payment of any redemption proceeds and/or (ii) in the suspension of the calculation of net asset values. In addition, significant differences may be observed between the net asset value published immediately before such a suspension or interruption and the net asset value published immediately after such suspension or interruption has ceased.

Valuation risk:
Some Underlying Funds may invest in financial instruments and securities that may not be actively traded and there may be uncertainties involved in the valuation of such investments. Investors should note that under such circumstances, the net asset value of the relevant Underlying Funds, and consequently the Net Asset Value per Share of the Sub-Fund, may be adversely affected.

Counterparty Risk in Underlying Funds:
Some Underlying Funds may enter into swap, repurchase, lending or other OTC transactions with an unregulated or lightly regulated counterparty. In the event of bankruptcy or, more generally, default of any counterparties of the Underlying Funds with respect to such transaction, the Underlying Funds may be unable to recover their funds and could incur substantial losses. Underlying Funds are additionally subject to the risk of the inability or refusal by a counterparty to perform with respects to such transactions.

High Brokerage and Other Transactional Expenses:
The Underlying Funds' activities may at times involve a high level of trading (including significant short-term trades) resulting in very high portfolio turnover that may generate substantial transaction costs. These costs will be borne by the Underlying Funds regardless of its profitability. The expenses of the Underlying Funds may be greater than the total fees charged in other comparable investment vehicles.

CHARGES AND EXPENSES

Unless otherwise mentioned in each Sub-Fund's description under "*Characteristics*", the following Charges and Expenses will apply:

I. General

The Fund pays out of its assets all expenses payable by the Fund. Those expenses include fees payable to:

- the Management Company;
- the Custodian and Paying Agent;
- the Administrator, Domiciliary and Corporate Agent;
- the Registrar Agent; and
- the independent auditors, outside counsels and other professionals.

They also include administrative expenses, such as registration fees, insurance coverage and the costs relating to the translation and printing of this Prospectus, the Key Investor Information Documents and reports to Shareholders.

Expenses specific to a Sub-Fund or Share class will be borne by that Sub-Fund or Share class. Charges that are not specifically attributable to a particular Sub-Fund or Share class may be allocated among the relevant Sub-Funds or Share classes based on their respective net assets or any other reasonable basis given the nature of the charges.

The costs and expenses incurred in connection with the formation of the Fund and the initial issue of Shares by the Fund, including those incurred in the preparation and publication of the sales documents of the Fund, all legal, fiscal and printing costs, as well as certain launch expenses (including advertising costs) and other preliminary expenses shall be written off over a period not exceeding five years and in such amount in each year in each Sub-Fund of the Fund as determined by the Board of Directors of the Fund on an equitable basis. Such expenses are estimated to be approximately Euro 470,000.-.

Upon creation of a new Sub-Fund the costs and expenses incurred in connection with its formation shall be written off over a period not exceeding five years against the assets of all existing Sub-Funds and in such amounts in each year and in each Sub-Fund as determined by the Board of Directors on an equitable basis in which case the new created Sub-Fund shall bear a pro-rata share of the costs and expenses incurred in connection with the formation of the Fund and the initial issue of Shares, which have not already been written off at the time of creation of the new Sub-Fund.

II. Management Fees

Lyxor Asset Management S.A.S will receive a Management Fee based on the Net Asset Value of each class within each Sub-Fund, gross of any performance fee accrual, calculated and accrued each Valuation Day and paid monthly in arrears at the rates which are more fully described in each Sub-Fund's description. Lyxor Asset Management S.A.S will be in charge of the payment of the fee to be paid to the each Investment Manager.

III. Custody Fee

Approximately 0.125 % of each Sub-Fund's average Net Asset Value per year will be payable to the Custodian and its agents by the Fund. Such fee will be payable on quarterly basis to the Custodian and on a daily or monthly basis to the agents as the case may be.

IV. Administrative, Registrar Agent Fee

Approximately 0.175 % of each Sub-Fund's average Net Asset per year will be payable by the Fund to the Administrator and to the Registrar Agent with a minimum of Euro 25,000. - per year for each Sub-Fund.

LUXEMBOURG ANTI-MONEY LAUNDERING REGULATIONS

In an effort to deter money laundering, the Fund, the Management Company, any distributor, and the Registrar Agent must comply with all applicable international and Luxembourg laws and circulars regarding the prevention of money laundering and in particular with Luxembourg law dated November 12, 2004 against money laundering and terrorism financing, as amended from time to time. To that end, the Fund, the Management Company any distributor and the Registrar Agent may request information necessary to establish the identity of a potential investor and the origin of subscription proceeds. Failure to provide documentation may result in a delay or rejection by the Fund of any subscription or exchange or a delay in payout of redemption of Shares by such investor.

SUBSCRIPTION, TRANSFER, CONVERSION AND REDEMPTION OF SHARES

Share Characteristics

Available classes

Each Sub-Fund issues Shares in several separate classes of Shares, as set out in each Sub-Fund's description under "*Characteristics*" as well as under "*Introduction*". Such classes of Shares differ with respect to the type of investors for which they are designed, as the case may be, their Pricing Currency and as the case may be with respect to their fee structure.

Shareholder Rights

All Shareholders have the same rights, regardless of the class of Shares held. Each Share is entitled to one vote at any general meeting of Shareholders. There are no preferential or pre-emptive rights attributable to the Shares.

Reference Currency/Base Currency/Pricing Currency

The Reference Currency of the Fund is the U.S. Dollar. The Base Currency of each Sub-Fund and the Pricing Currency of each class of Shares are as set out in each Sub-Fund's description under "*Characteristics*".

Dividend Policy

The Fund may issue Distributing Share classes and Capitalization Share classes within each Sub-Fund, as set out in each Sub-Fund's description under "*Characteristics*".

Capitalization Share classes capitalise their entire earnings whereas Distributing Share classes pay all or part of dividends.

The general meeting of Shareholders of the class or classes of Shares issued in respect of any Sub-Fund, upon proposal of the Board of Directors of the Fund, shall determine how the income of the relevant classes of Shares of the relevant Sub-Funds shall be disposed of and the Fund may declare from time to time, at such time and in relation to such periods as the Board of Directors of the Fund may determine, distributions in the form of cash or Fund's Shares for the class of Shares entitled to distribution.

Should the Shareholders decide the distribution of a cash dividend, all distributions will be paid out of the net investment income available for distribution. For certain Share classes, the Board of Directors of the Fund may decide from time to time to distribute net realised capital gains. Unless otherwise specifically requested, dividends will be reinvested in further Shares within the same class of the same Sub-Fund and investors will be advised of the details by dividends statement. No sales charge will be imposed on reinvestments of dividends or other distributions.

For Shares of classes entitled to distribution, dividends, if any, will be declared and distributed on an annual basis. Moreover, interim dividends may be declared and distributed from time to time at a frequency decided by the Board of Directors of the Fund in compliance with the conditions set forth by law.

However, in any event, no distribution may be made if, as a result, the net asset value of the Fund would fall below the equivalent in U.S. Dollar of Euro 1,250,000.-.

Dividends not claimed within five years of their due date will lapse and revert to the relevant Shares of the relevant class in the relevant Sub-Fund.

No interest shall be paid on a distribution declared by the Fund and kept by it at the disposal of its beneficiary.

Listed classes

The classes of Shares of each Sub-Fund that are listed on the Luxembourg Stock Exchange are indicated in each Sub-Fund's description under "*Characteristics*". The Board of Directors of the Fund may, in its sole discretion, elect to list any other Share classes on any stock exchange.

Fractional Shares

The Sub-Fund issues whole and fractional Shares up to one-thousandth of a Share. Fractional entitlements to Shares do not carry voting rights but do grant rights of participation on a pro-rated basis in net results and liquidation proceeds attributable to the relevant Sub-Fund.

Share Registration and Certificates

All Shares are issued in registered un-certificated form, unless a Share certificate is formally requested by the Shareholder or if differently stated in each of the Sub-Fund. All Shareholders shall receive from the Registrar Agent a written confirmation of his or her shareholding.

Subscription of Shares

Minimum Investment and Holding Amount

No investor may subscribe initially for less than the amount of the minimum initial investment indicated in each Sub-Fund's description under "*Characteristics*" if any. There is no minimum investment amount for subsequent investments in the Shares. No investor may transfer or redeem Shares of any class if the transfer or redemption would cause the investor's holding amount of that class of Shares to fall below the minimum holding amount indicated, as the case may be, in each Sub-Fund's description under "*Characteristics*".

The Board of Directors of the Fund may, provided that equal treatment of Shareholders be complied with, grant Shareholders an exception from the conditions of minimum holding of Shares and accept a redemption request that would cause the investor's holding in any Sub-Fund to fall below the minimum holding amount. Such an exception may only be made in favour of investors who understand and are able to bear the risk linked to an investment in the relevant Sub-Fund, on exceptional basis and in specific cases.

Subscription Charge

The subscription of Shares may be subject to a sales charge of a percentage of the Net Asset Value of the Shares being subscribed as indicated in each Sub-Fund's description under "*Characteristics*" and which shall revert, if applicable, to the Management Company.

Procedure of Subscription

Market Timing Policy: The Fund does not knowingly allow investments which are associated with market timing practices as such practices may adversely affect the interests of all Shareholders.

As per the Regulatory Authority' Circular 04/146, market timing is to be understood as an arbitrage method through which an investor systematically subscribes and redeems or converts units or shares of the same UCI within a short time period, by taking advantage of time differences and/or imperfections or deficiencies in the method of determination of the net asset value of the Fund.

Opportunities may arise for the market timer either if the Net Asset Value (as defined on hereafter) of the Fund is calculated on the basis of market prices which are no longer up to date (stale prices) or if the Fund is already calculating the Net Asset Value when it is still possible to issue orders.

Market timing practices are not acceptable as they may affect the performance of the Fund through an increase of the costs and/or entail a dilution of the profit.

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

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

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

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

In addition, the Board of Directors of the Fund reserves the right to levy an additional fee of up to 2% of the Net Asset Value of the Shares subscribed if the Board of Directors of the Fund considers that the applying investor is engaging in excessive trading (market-timing) practices. Any such fee shall be levied for the benefit of the Sub-Fund concerned.

Subscription Application: Any investor intending to subscribe initially or for additional Shares must complete an application form. Application forms are available from and should be sent to:

Société Générale Bank & Trust
28-32, Place de la gare,
L-1616 Luxembourg

The application for subscription of Shares must include:

a) the monetary amount or the number of Shares the Shareholder wishes to subscribe, and

b) the class from which Shares are to be subscribed.

The Registrar Agent may request an investor to provide additional information to substantiate any representation made by the investor in its application. Any application that has not been completed to the satisfaction of the Registrar Agent will be rejected. In addition, the Board of Directors of the Fund, in its sole discretion may at any time suspend or close the sale of any class of Shares or all Shares.

Entry Fee: The subscription of Shares may be subject to a subscription fee of a percentage of the Net Asset Value of the Shares being subscribed as indicated in each Sub-Fund's description under "*Characteristics*". Any subscription fee shall be levied for the benefit of the Sub-Fund concerned.

Subscription Date and Purchase Price: Shares may be subscribed as referred to in the relevant Sub-Fund's description. Except during the initial offering period, the subscription date for any subscription application shall be as indicated in the relevant Sub-Fund's description under "*Characteristics*". The purchase price for any subscription application will be the sum of the Net Asset Value of such Shares on the subscription date plus any applicable subscription charge and/or entry fee.

Investors should note that they will not know the actual purchase price of their Shares until their order has been fulfilled.

Subscription requests into classes C1, CE, F1 and F2 Shares will have to be previously and expressly authorized by the Board of Directors of the Fund or its duly appointed delegate.

Payment: Each investor must pay the purchase price as determined in the relevant Sub-Fund's description under "*Characteristics*".

The purchase price must be paid by electronic bank transfer only, as specified in the application form.

Any payment must be in cleared funds before it will be considered as having been received.

An investor should pay the purchase price in the Pricing Currency.

The Fund will immediately redeem the Shares corresponding to any subscription not paid for in full in accordance with these provisions, and the investor submitting the subscription will be liable to the Fund and each of its agents for any loss incurred by them, individually and collectively, as a result of such forced redemption.

Transfer of Shares

A Shareholder may transfer Shares to one or more other persons, provided that all Shares have been paid in full with cleared funds and each transferee meets the qualifications of an investor in the relevant Share class.

In order to transfer Shares, the Shareholder must notify the Registrar Agent of the proposed date and the number of Shares transferred. The Registrar Agent only will recognize a transfer with a future date. In addition, each transferee must complete an application form.

The Shareholder should send its notice and each completed application form to:

Société Générale Bank & Trust
28-32, Place de la gare,
L-1616 Luxembourg

The Registrar Agent may request a transferee to provide additional information to substantiate any representation made by the transferee in its application. Any application that has not been completed to the satisfaction of the Registrar Agent will be rejected.

The Registrar Agent will not effectuate any transfer until it is satisfied with the form of notice and has accepted each transferee's subscription application.

Any Shareholder transferring Shares and each transferee, jointly and separately, agree to hold the Sub-Fund and each of its agents harmless with respect to any loss suffered by one or more of them in connection with a transfer.

Redemption of Shares

A Shareholder may request the Fund to redeem some or all of the Shares it holds in the Fund. If, as a result of any redemption request, the number of Shares held by any Shareholder in a class would fall below the minimum holding amount for that class of Shares, if any, the Fund may treat such request as a request to redeem the full balance of such Shareholder's holding of Shares in the relevant class. Shares may be redeemed on days referred to in the relevant Sub-Fund's description.

If the aggregate value of the redemption and conversion requests received by the Registrar Agent on any day corresponds to more than 10% of the net assets of a Sub-Fund, the Fund may defer part or all of such redemption and conversion requests for such period as it considers to be in the best interest of the Sub-Fund and its Shareholders. Any deferred redemption and conversion shall be treated as a priority to any further redemption and conversion requests received on any following redemption date.

Redemption Charge
The redemption of Shares may be subject to a redemption charge of a percentage of the Net Asset Value of the Shares being subscribed as indicated in each Sub-Fund's description under "*Characteristics*" and which shall revert, if applicable, to the Management Company.

Redemption Notice
Any Shareholder intending to redeem Shares must notify the Registrar Agent:

Société Générale Bank & Trust
28-32, Place de la gare,
L-1616 Luxembourg

That notice must include the following:

- The Shareholder's name, as it appears on the Shareholder's account, his or her address and account number;
- The number of Shares of each class to be redeemed; and

- Bank details of beneficiary of redemption proceeds.

Shareholders holding Share certificates must include these certificates in their redemption notice to the Registrar Agent.

The Registrar Agent may request the Shareholder to provide additional information to substantiate any representation made by the investor in the notice. The Registrar Agent will reject any redemption notice that has not been completed to its satisfaction. Payments will only be made to the Shareholder of record; no third-party payments will be made.

Any Shareholder redeeming Shares agrees to hold the Fund and each of its agents harmless with respect to any loss suffered by one or more of them in connection with that redemption.

Exit Fee

The redemption of Shares may be subject to an exit fee of a percentage of the Net Asset Value of the Shares being redeemed as indicated in each Sub-Fund's description under "*Characteristics*". Any exit fee shall be levied for the benefit of the Sub-Fund concerned. For the "M" Share classes the exit fee shall however be levied for the benefit of the Management Company.
The Board of Directors of the Fund reserves the right to levy an additional fee of up to 2% of the Net Asset Value of the Shares redeemed if the Board of Directors of the Fund considers that the redeeming investor is engaging in excessive trading (market-timing) practices. Any such fee shall be levied for the benefit of the Sub-Fund concerned.

Redemption Date and Redemption Price

The redemption date for any redemption notice shall be as indicated in the relevant Sub-Fund's description under "*Characteristics*". The redemption price for any redemption notice will be the Net Asset Value of such Shares on the redemption date less any applicable redemption charge and/or exit fee.

Investors should note that they will not know the redemption price of their Shares until their redemption request has been fulfilled.

Payment

The Fund will pay the Shareholder redemption proceeds as determined in the relevant Sub-Fund's description under "*Characteristics*".

The redemption proceeds will be paid by electronic bank transfer in accordance with the instructions in the redemption notice as accepted. All costs associated with that payment will be borne by the Shareholder.

Redemption proceeds will be paid in the relevant Pricing Currency. If an investor requests payment in another currency, the Fund or its agent will make reasonable efforts to convert the payment into the currency requested. All costs associated with the conversion of that payment will be borne by the Shareholder, whether such conversion actually is made. Neither the Fund nor any agent of the Fund shall be liable to an investor if the Fund or agent is unable to convert and pay into a currency other than the relevant Pricing Currency.

Neither the Fund nor any of its agents shall pay any interest on redemption proceeds or make any adjustment on account of any delay in making payment to the Shareholder. Any redemption proceeds that have not been claimed within 5 years following the redemption date shall be forfeited and shall accrue for the benefit of the relevant class of Shares.

Forced Redemption

The Fund may immediately redeem some or all of a Shareholder's Shares if the Fund believes that:

- The Shareholder has made any misrepresentation as to his or her qualifications to be a Shareholder;

- The Shareholder's continued presence as a Shareholder of the Fund would cause irreparable harm to the Fund or the other Shareholders of the Fund;

- The Shareholder, by trading Shares frequently, is causing the relevant Sub-Fund to incur higher portfolio turnover and thus, causing adverse effects on the Sub-Fund's performance, higher transactions costs and/or greater tax liabilities; or

- The Shareholder's continued presence as a Shareholder would result in a breach of any law or regulation, whether Luxembourg or foreign, by the Fund.

Conversion of Shares

Subject to the provisions of each Sub-Fund's description under "*Characteristics*", any Shareholder may in principle request the conversion of its Shares for (i) Shares of the same class and same currency of another Sub-Fund or (ii) Shares of a different class of the same or another Sub-Fund as more fully described below and provided that such class are in the same currency. Such conversion request will be treated as a redemption and subsequent subscription of Shares. Consequently, any Shareholder requesting such conversion must comply with the procedures of subscription and redemption, as well as with all other requirements notably relating to investor qualifications and minimum investment and holding thresholds, if any, applicable to each Sub-Fund.

From \ To	A	C	F	I	AH	IH	M	MH	G2
A	YES	**NO**	YES*	YES	YES	YES	YES	YES	YES
C	YES	YES	**NO**	YES	YES	YES	YES	YES	YES
F	YES	**NO**	YES	YES	YES	YES	YES	YES	YES
I	YES	**NO**	YES*	YES	YES	YES	YES	YES	YES
AH	YES	**NO**	YES*	YES	YES	YES	YES	YES	YES
IH	YES	**NO**	YES*	YES	YES	YES	YES	YES	YES
M	**NO**	**NO**	YES*	**NO**	**NO**	**NO**	YES	YES	**NO**
MH	**NO**	**NO**	YES*	**NO**	**NO**	**NO**	YES	YES	**NO**
G2	**NO**	**NO**	YES*	**NO**	**NO**	**NO**	**NO**	**NO**	YES

*The conversion is subject to the prior approval of the Board of Directors of the Fund.

In the event that G2 Share class are held by a Shareholder who was not or is no longer entitled thereto the Board of Directors of the Fund may immediately convert, without any prior notice or charge, the relevant Shares into class A2 within the same Sub-Fund.

If Shares are converted for Shares of another class or Sub-Fund having the same or a lower sales charge, no additional charge shall be levied. If Shares are converted for Shares of another class or Sub-Fund having a higher sales charge, the conversion may be subject to a conversion fee to the benefit of an intermediary as determined by the Board of Directors of the Fund equal to the difference in percentage of the sales charges of the relevant Shares.

The conversion of Shares between Sub-Funds having different valuation frequencies may only be effected on a common subscription date as more fully described under each Sub-Fund's description under "*Characteristics*".

To exercise the right to exchange Shares, the Shareholders must deliver an exchange order in proper form to the Registrar Agent.

The number of Shares in the newly selected Sub-Fund or class of Shares will be calculated in accordance with the following formula:

$$A = (B \times C \times D)/E$$

where:

A is the number of Shares to be allocated in the new class;
B is the number of Shares of the original class to be converted;
C is the Net Asset Value per Share of the original class on the relevant Valuation Day;
D is the actual rate of exchange on the day concerned in respect of the Pricing Currency of the original class and the Pricing Currency of the new class;
E is the Net Asset Value per Share of the new class on the relevant Valuation Day.

DETERMINATION OF THE NET ASSET VALUE

Day of Calculation

The Fund calculates the Net Asset Value of each Share class for each Valuation Day date as indicated for each Sub-Fund in its description under "*Characteristics*".

The Fund may for track record purposes, calculate Net Asset Value even on days where subscription, redemption and conversion are not accepted, as more fully described for each Sub-Fund in its description, as the case may be.

If since the time of determination of the Net Asset Value, there has been a material change in the quotations in the markets on which a substantial portion of the investments of any Sub-Fund are dealt in or quoted, the Fund may, in order to safeguard the interests of the Shareholders and the Sub-Fund, cancel the first valuation and carry out a second valuation for all applications made on the relevant subscription/redemption date.

Method of Calculation

The Net Asset Value of each Share of any one class on any day that any Sub-Fund calculates its Net Asset Value is determined by dividing the value of the portion of assets attributable to that class less the portion of liabilities attributable to that class, by the total number of Shares of that class outstanding on such day.

The Net Asset Value per Share of each class shall be available at the registered office of the Fund in principle the Business Day following the relevant Valuation Day.

The Net Asset Value of each Share shall be determined in the Pricing Currency of the relevant class of Shares.

The Net Asset Value of each class of Share may be rounded to the nearest 1/1000 of the Pricing Currency in accordance with the Fund's guidelines.

The value of each Sub-Fund's assets shall be determined as follows:

(i) the value of any cash on hand or on deposit, bills and demand notes payable and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof shall be arrived at after making such discount as the Board of Directors of the Fund may consider appropriate in such case to reflect the true value thereof;

(ii) the value of Transferable Securities, Money Market Instruments and any financial assets listed or dealt in on a stock exchange of an Other State or on a Regulated Market, or on any Other Regulated Market of a Member State or of an Other State, shall be based on the last available closing or settlement price in the relevant market prior to the time of valuation, or any other price deemed appropriate by the Board of Directors of the Fund;

(iii) the value of any assets held in a Sub-Fund's portfolio which are not listed or dealt on a stock exchange of an Other State or an a Regulated Market or on any Other Regulated Market of a Member State or of an Other State or if, with respect to assets quoted or dealt in on any stock exchange or dealt in on any such regulated markets, the last available closing or settlement price is not representative of their value, such assets are stated at fair market value or otherwise at the fair value at which it is expected they may be resold, as determined in good faith by or under the direction of the Board of Directors of the Fund;

(iv) Money Market Instruments with a remaining maturity of 90 days or less will be valued by the amortized cost method, which approximates market value. Under this valuation method, the relevant Sub-Fund's investments are valued at their acquisition cost as adjusted for amortisation of premium or accretion of discount rather than at market value;

(v) units or shares of open-ended UCI, including master fund as the case may be, will be valued at their last determined and available official net asset value as reported or provided by such UCI or their agents, or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Fund on a fair and equitable basis. Units or shares of a closed-ended UCI will be valued in accordance with the valuation rules set out in items (ii) and (iii);

(vi) the liquidating value of futures, forward or options contracts not traded on a stock exchange of an Other State or on Regulated Markets, or on Other Regulated Markets shall mean their net liquidating value determined, pursuant to the policies established prudently and in good faith by the Board of Directors of the Fund, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on a stock exchange of an Other State or on Regulated Markets, or on other Regulated Markets shall be based upon the last available settlement or closing prices as applicable to these contracts on a stock exchange or on regulated markets, or on other regulated markets on which the particular futures, forward or options contracts are traded on behalf of the Fund; provided that if a future, forward or options contract could not be liquidated on the day with respect to which assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors of the Fund may deem fair and reasonable;

(vii) interest rate swaps will be valued on the basis of their market value established by reference to the applicable interest rate curve.

Total return swaps or TRORS will be valued at fair value under procedures approved by the Board of Directors of the Fund. As these swaps are not exchange-traded, but are private contracts into which the Fund and a swap counterparty enter as principals, the data inputs for valuation models are usually established by reference to active markets. However it is possible that such market data will not be available for total return swaps or TRORS near the Valuation Day. Where such markets inputs are not available, quoted market data for similar instruments (e.g. a different underlying instrument for the same or a similar reference entity) will be used provided that appropriate adjustments be made to reflect any differences between the total return swaps or TRORS being valued and the similar financial instrument for which a price is available. Market input data and prices may be sourced from exchanges, a broker, an external pricing agency or a counterparty.

If no such market input data are available, total return swaps or TRORS will be valued at their fair value pursuant to a valuation method adopted by the Board of Directors of the Fund which shall be a valuation method widely accepted as good market practice (i.e. used by active participants on setting prices in the market place or which has demonstrated to provide reliable estimate of market prices) provided that adjustments that the Board of Directors of the Fund may deem fair and reasonable be made. The Fund's auditor will review the appropriateness of the valuation methodology used in valuing total return swaps or TRORS. In any way the Fund will always value total return swaps or TRORS on an arm-length basis.

All other swaps, will be valued at fair value as determined in good faith pursuant to procedures established by the Board of Directors of the Fund;

(viii) all other securities, instruments and other assets will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board of Directors of the Fund;

(ix) the value of contracts for differences will be based, on the value of the underlying assets and vary similarly to the value of such underlying assets. Contract for differences will be valued at fair market value, as determined in good faith pursuant to procedures established by the Board of Directors of the Fund;

(x) assets or liabilities denominated in a currency other than that in which the relevant Net Asset Value will be expressed, will be converted at the relevant foreign currency spot rate on the relevant Valuation Day. In that context account shall be taken of hedging instruments used to cover foreign exchange risks.

Temporary Suspension of Calculation of the Net Asset Value

The Fund may temporarily suspend the determination of the Net Asset Value per Share within any Sub-Fund, and accordingly the issue and redemption of Shares of any class within any Sub-Fund:

- During any period when any of the principal stock exchanges, Regulated Market or any Other

Regulated Market in a Member State or in an Other State on which a substantial part of the Funds' investments attributable to such Sub-Fund is quoted, or when one or more foreign exchange markets in the currency in which a substantial portion of the assets of the Sub-Fund is denominated, are closed otherwise than for ordinary holidays or during which dealings are substantially restricted or suspended; or

- Political, economic, military, monetary or other emergency beyond the control, liability and influence of the Fund makes the disposal of the assets of any Sub-Fund impossible under normal conditions or such disposal would be detrimental to the interests of the Shareholders; or

- During any breakdown in the means of communication network normally employed in determining the price or value of any of the relevant Sub-Fund's investments or the current price or value on any market or stock exchange in respect of the assets attributable to such Sub-Fund; or

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

- During any period when for any other reason the prices of any investments owned by the Fund cannot promptly or accurately be ascertained; or

- During any period when the Board of Directors of the Fund so decides, provided all shareholders are treated on an equal footing and all relevant laws and regulations are applied (i) as soon as an extraordinary general meeting of Shareholders of the Fund or a Sub-Fund has been convened for the purpose of deciding on the liquidation or dissolution of the Fund or a Sub-Fund and (ii) when the Board of Directors of the Fund is empowered to decide on this matter, upon its decision to liquidate or dissolve a Sub-Fund.

- following the suspension of (i) the calculation of the net asset value per share/unit, (ii) the issue, (iii) the redemption, (iv) and/or the conversion of the shares/units issued within the master fund in which a Sub-Fund invests in its quality as feeder fund.

The Fund may suspend the issue, conversion and redemption of Shares of any class within a Sub-Fund forthwith upon occurrence of an event causing it to enter into liquidation or upon the order of the Regulatory Authority.
Any suspension shall be published, if appropriate, by the Fund and Shareholders requesting subscription, conversion or redemption of their Shares shall be notified by the Fund of the suspension at the time of the filing of the written request for such conversion and redemption. The suspension as to any Sub-Fund will have no effect on the determination of Net Asset Value and the issue, redemption or conversion of Shares in any class of the other Sub-Funds.

TAXATION

The foregoing is based on the Board of Directors of the Fund's understanding of the law and practice currently in force in Luxembourg and subject to changes therein. It should not be taken as constituting legal or tax advice and investors are advised to obtain information and, if necessary, advice regarding the laws and regulations applicable to them by reason of the subscription, purchase, holding and realisation of Shares in their countries of origin, residence or domicile.

Taxation of the Fund

The Fund is not subject to any Luxembourg tax on interest or dividends received by any Sub-Fund, any realized or unrealized capital appreciation of Sub-Fund's assets or any distribution paid by any Sub-Fund to Shareholders.

The Fund is not subject to any Luxembourg stamp tax or other duty payable on the issuance of Shares.

The Fund is only subject to the Luxembourg *taxe d'abonnement* at the rate of 0.05% per year of each Sub-Fund's Net Asset Value.

This tax is however reduced, in respect of classes F1, F2, CE, C1, I1, I2, I3, I4, I5, IH1, IH2, IH3, IH4 and IH5 to 0.01% per year of the Net Asset Value of each such class of Shares.

The following exemptions from *taxe d'abonnement* are applicable:

- where the Sub-Fund invests in the units of a sub-fund of a master fund to the extent that master sub-fund has already been subject to a *taxe d'abonnement*;
- where the Sub-Fund invests in the units of another UCI to the extent that UCI has already been subject to a *taxe d'abonnement*;
- where share classes of Sub-Funds (i) are sold to institutional investors; (ii) the Sub-Fund invests exclusively in money market instruments or deposits with credit institutions (iii) the weighted residual portfolio maturity does not exceed 90 days; and (iv) the Sub-Fund has obtained the highest possible rating from a recognized rating agency; or
- where share classes of Sub-Funds are reserved for (i) institutions incorporated for occupational retirement provision, or similar investment vehicles, created as part of the same group for the benefit of its employees or for (ii) undertakings of a group mentioned in (i) investing monies held by them to provide retirement benefits to their employees.where the shares of the Sub-Fund are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public; and its exclusive object is to replicate the performance of one or more indices.

That tax is calculated and payable quarterly. In addition, upon incorporation, the Fund was required to pay an incorporation tax of Euro 1,250.-.

The amendments to article of incorporation are subject to a fixed registration duty of € 75.

Other jurisdictions may impose withholding and other taxes on interest and dividends received by the Sub-Funds, if any, on assets issued by entities located outside of Luxembourg. The Fund may not be able to recover those taxes.

Taxation of the Shareholders

Shareholders currently are not subject to any Luxembourg income tax on capital gain or income or any Luxembourg withholding tax other than Shareholders:

- Domiciled, resident or having a permanent establishment in Luxembourg;

- Non-residents of Luxembourg who hold more than 10% of the Shares of the Fund and who dispose of all or part of their holdings within 6 months from the date of acquisition;

- Certain former residents of Luxembourg who hold more than 10% of the Shares of the Fund; or

- Shareholders receiving dividend, as the case may be, or redemption payments within the scope of the EU Savings Directive which may be subject to a withholding tax.

Indeed, any dividends, other distributions of income made by the Fund or payments of the proceeds of sale and/or redemption of Shares in the Fund, were as from July 1, 2005 (depending on the investment portfolio of the relevant

Sub-Fund of the Fund) subject to the withholding tax and/or information providing regime imposed by EU Savings Directive, where payment is made to a Shareholder who is an individual resident in a Member State for the purposes of the EU Savings Directive (or a "residual entity" established in a Member State) by a paying agent resident in another Member State. Certain other jurisdictions (including Switzerland) have, or are proposing to introduce, an equivalent withholding tax and/or information providing regime in respect of payments made through a paying agent established in such jurisdictions.

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

As a consequence of the repeal of the EU Savings Directive, the law of 12 April 2005 will no longer apply, save for the provisions related to the above mentioned obligations and within the transitional period foreseen by the said Council Directive.

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

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

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

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

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

Automatic Exchange of Information

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

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

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

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

The investors further undertake to immediately inform the Company of, and provide the Company with all supporting documentary evidence of any changes related to the Information after occurrence of such changes.

Any investor that fails to comply with the Company's Information or documentation requests may be held liable for penalties imposed on the Company and attributable to such investor's failure to provide the Information or subject to disclosure of the Information by the Company to the LTA, in accordance with the applicable domestic legislation.

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

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

DISTRIBUTOR

The Management Company serves as distributor of the Shares. As distributor, the Management Company is authorized to solicit and sell Shares to investors in accordance with the terms of this Prospectus. The Management Company may engage certain financial institutions ("Intermediaries") to solicit and sell Shares to investors.

Each entity acting as distributor of the Shares of the Fund will comply, and by contractual agreement require each sub-distributor or Intermediary of the Shares to comply, with applicable laws and regulations concerning money laundering and, in particular, circulars issued by the Regulatory Authority.

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

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

Notwithstanding the foregoing, a Shareholder may invest directly in the Fund without using the services of a nominee. The agreement between the Fund and/or the Management Company and any nominee shall contain a provision or, if such is not the case, shall be deemed to include a provision that gives the Shareholder the right to exercise its title to the Shares subscribed through the nominee. The nominee agent will have no power to vote at any general meeting of Shareholders, unless the Shareholder grants it a power of attorney in writing with authority to do so.

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

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

In relation to any subscription, an Intermediary authorised to act as nominee is deemed to represent the Management Company that:
a) the investor is not a U.S. Person;
b) it will notify the Management Company and the Registrar Agent immediately if it learns that an investor has become a U.S. Person;
c) in the event that it has discretionary authority with respect to Shares which become beneficially owned by a U.S. Person, the Intermediary will cause such Shares to be redeemed and;
d) it will not knowingly transfer or deliver any Shares or any part thereof or interest therein to a U.S. Person nor will any Shares be transferred to the United States.

The Management Company may, at any time, require intermediaries who act as nominees to make additional representations to comply with any changes in applicable laws and regulations. All Intermediaries shall offer to each investor a copy of this Prospectus as well as the relevant Key Investor Information Document (or any similar supplement, addendum or information note as may be required under applicable local law) as required by applicable laws prior to the subscription by the investor in any Sub-Fund. The list of nominees and Intermediaries is available at the registered office of the Fund.

An investor who subscribes through such an Intermediary can have some charges applied in the country where the Shares are offered.

CUSTODY

Société Générale Bank and Trust serves as custodian of the Fund's assets ("Custodian") and as paying agent ("Paying Agent") in accordance with written agreements with the Fund.

The Custodian holds all cash, securities and other instruments owned by each Sub-Fund in one or more accounts. In particular, the Custodian will:

- Ensure that the sale, issue, redemption, conversion and cancellation of Shares effected on behalf of the Fund are carried out in accordance with Luxembourg law and the Articles of Incorporation;

- Ensure that in transactions involving a Sub-Fund's assets, any consideration due to the Sub-Fund is remitted to the Sub-Fund within the customary settlement dates; and

- Ensure that the income attributable to each Sub-Fund is applied in accordance with the Articles of Incorporation.

The Custodian may have correspondent banks hold certain assets, in particular securities and other instruments traded or listed on exchanges outside of Luxembourg, subject to the Custodian's supervision.

The Fund's Paying Agent is responsible for paying to Shareholders any distribution or redemption proceeds.

The Custodian is a Luxembourg Société Anonyme and is registered with the Regulatory Authority as a credit institution.

ADMINISTRATOR

Société Générale Bank & Trust Luxembourg serves as administrator, domiciliary and corporate agent of the Fund's assets ("Administrator") in accordance with written agreement with the Management Company and the Fund.

The Administrator is responsible for maintaining the books and financial records of the Fund, preparing the Fund's financial statements, calculating the amounts of any distribution, if any, and calculating the Net Asset Value of each class of Shares.

The Fund's domiciliary and corporate agent ("Domiciliary and Corporate Agent") provides the Fund with a registered Luxembourg address and such facilities that may be required by the Fund for holding meetings convened in Luxembourg. It also provides assistance with the Fund's legal and regulatory reporting obligations, including required filings and the mailing of Shareholder documentation.

REGISTRAR AGENT

Société Générale Bank & Trust serves also as the Fund's registrar agent ("Registrar Agent") in accordance with a written agreement with the Management Company and the Fund.

The Registrar Agent will be responsible for handling the processing of subscription of Shares, dealing with requests for redemption and conversion and accepting transfer of funds, for the safekeeping of the Register of the Fund, the delivery of the Share certificates, if requested, the safekeeping of all non-issued Share certificates of the Fund, for accepting Shares certificates rendered for replacement, redemption or conversion and for providing and supervising the mailing reports, notices and other documents to the Shareholders, as further described in the above mentioned agreement.

The Registrar Agent is a Luxembourg *Société Anonyme* and is registered with the Regulatory Authority as a *Professionnel du Secteur Financier*.

AUDITORS OF THE FUND

The Board of Directors of the Fund has appointed Deloitte Audit as the auditors of the Fund.

GENERAL INFORMATION

Accounting Year

The Fund's accounting year begins on the 1st January and ends on December 31st of each year.

Reports

The Fund publishes annually audited financial statements and semi-annually unaudited financial statements.

The audited annual report of the Company for each Financial Year will be available to Shareholders, free of charge, at the registered office of the Company within four months of the end of the relevant Financial Year and will be mailed to the registered Shareholders upon request.

Shareholders' Meetings

The annual general meeting of Shareholders is held at 10.00 a.m. Luxembourg time in Luxembourg on the last Thursday of April of each year. Extraordinary Shareholders' meetings or general meetings of Shareholders of any Sub-Fund or any class of Shares may be held at such time and place as indicated in the notice to convene. Notices of such meetings shall be provided to the Shareholders in accordance with Luxembourg law.

Minimum Net Assets

The Fund must maintain assets equivalent in net value to at least the equivalent in U.S. Dollar of Euro 1,250,000.-. There is no requirement that the individual Sub-Funds have a minimum amount of assets.

Changes in Investment Program of the Sub-Fund

The investment objective and policies of each Sub-Fund may be modified from time to time by the Board of Directors of the Fund without the consent of the Shareholders, although the Shareholders will be given one (1) month's prior notice of any such change in order to redeem their Shares free of charge.

Merger and division of Sub-Funds

The Board of Directors of the Fund may decide to proceed with a merger (within the meaning of the 2010 Law) of the assets of the Fund or of any Sub-Fund to those of (i) another existing Sub-Fund within the Fund or another sub-fund within another Luxembourg or foreign UCITS (the New Sub-Fund) or of (ii) another Luxembourg or foreign UCITS (the "**New UCITS**") and to redesignate the Shares of the Sub-Fund or of the Fund as Shares of the New Sub-Fund or of the New UCITS. The Board of Directors of the Fund shall decide on or approve the effective date of the merger. Such a merger will be subject to the conditions and procedure imposed by the 2010 Law, in particular concerning the merger project to be established by the Board of Directors of the Fund and the information to the provided to the Shareholders.

Notwithstanding the powers conferred to the Board of Directors of the Fund by the first paragraph above, a merger (within the meaning of the 2010 Law) of the assets and of the liabilities attributable to any Sub-Fund with those attributable to another Sub-Fund may be decided upon by a general meeting of the Shareholders of the Sub-Fund concerned for which there shall be no quorum requirements and which will decide upon such a merger by resolution taken by simple majority of the votes validly cast.

A merger of the assets and of the liabilities attributable to the Fund or to any Sub-Fund with the assets of any other Luxembourg or foreign UCITS or those of a sub-fund within such Luxembourg or foreign UCITS shall require a resolution of the Shareholders of the Sub-Fund concerned taken with no quorum requirement and adopted at a simple majority of the votes validly cast.

Where the Fund (or any of its Sub-Funds, as the case may be) is the absorbed entity, which thus ceases to exist, irrespective of whether the merger is initiated by the Board of Directors of the Fund or by the Shareholders, the general meeting of Shareholders of the Fund (or of the relevant Sub-Fund, as the case may be) must decide the effective date of the merger. Such general meeting is subject to the same quorum and majority requirements as described above.

In the event that the Board of Directors of the Fund believes it is required for the interests of the Shareholders of the relevant Sub-Fund or that a change in the economic or political situation relating to the Sub-Fund concerned has occurred which would justify it, the reorganisation of one Sub-Fund, by means of a division into two or more Sub-Funds, may be decided by the Board of Directors of the Fund. Such decision will be published in the same manner as described above and, in addition, the publication will contain information in relation to the two or more new Sub-Funds. Such publication will be made one month before the date on which the reorganisation becomes effective in order to enable the Shareholders to request redemption of their Shares, free of charge before the operation involving division into two or more Sub-Funds becomes effective.

Should future Sub-Funds be created for a limited maturity, the procedure for amalgamation, merger or reorganisation will be described in the sales documents of the Fund.
In the event that for any reason the value of the net assets of any class of Shares within a Sub-Fund has decreased to, or has not reached, an amount determined by the Board of Directors of the Fund to be the minimum level for such class of Shares to be operated in an economically efficient manner or as a matter of economic rationalization, the Board of Directors of the Fund may decide to amend the rights attached to any class of Shares so as to include them in any other existing class of Shares and re-designate the Shares of the class or classes concerned as Shares of another class. Such decision will be subject to the right of the relevant Shareholders to request, without any charges, the redemption of the Shares or, where possible, the conversion of those Shares of other classes within the same Sub-Fund or into Shares of other classes within another Sub-Fund.

Dissolution and Liquidation of the Fund, any Sub-Fund or any class of Shares

Each of the Fund and any Sub-Fund has been established for an unlimited period.

However, the Fund may at any time be dissolved by a resolution of the general meeting of Shareholders subject to the quorum and majority requirements referred to in the Articles of Incorporation and in compliance with the provision of the Company Law.

The Board of Directors of the Fund may also decide to dissolve any Sub-Fund or any class of Shares and liquidate the assets thereof.

In particular, the Board of Directors of the Fund may decide to dissolve a Sub-Fund or class of Shares and to compulsory redeem all the Shares of such Sub-Fund or class of Shares when the net assets of such Sub-Fund or class of Shares fall below an amount determined by the Board of Directors of the Fund to be the minimum level to enable the Sub-Fund or class of Shares to be operated in on economically efficient manner, or if a change in the economic or political situation relating to the Sub-Fund or class concerned would have material adverse consequences on the investments of that Sub-Fund or in order to proceed to economic rationalization.

The decision of the liquidation will be published as described above for the merger or division of Sub-Funds prior to the effective date of the liquidation. Unless the Board of Directors of the Fund decides otherwise in the interests of or to keep equal treatment between, the Shareholders, the Shareholders of the Sub-Fund or class of Shares concerned may continue to redeem or convert their Shares free of charge (but taking into account actual realization prices of investments and realization expenses) prior to the date effective for the compulsory redemption.

Notwithstanding the powers conferred to the Board of Directors of the Fund above, the Shareholders of any one or all classes of Shares issued in any Sub-Fund may at a general meeting of such Shareholders, upon proposal of the Board of Directors of the Fund, redeem all the Shares of the relevant class or classes or Sub-Fund. There shall be no quorum requirements for such general meeting of Shareholders which shall decide by resolution taken by simple majority of the Shares present and represented and voting.

Shareholders will receive from the Custodian their pro rata portion of the net assets of the Fund, Sub-Fund or class, as the case may be, in accordance with Company Law and the Articles of Incorporation.

Liquidation proceeds not claimed by Shareholders will be held by the Custodian for a period of six months thereafter such period the liquidation proceeds will be deposited with the Luxembourg *Caisse de Consignation* in accordance with Luxembourg law.

If the Board of Directors of the Fund determines to dissolve any Sub-Fund or any class of Shares and liquidate its assets, the Board of Directors of the Fund will publish that determination as it determines in the best interest of the Shareholders of such Sub-Fund or class of Shares and in compliance with Company Law.

DOCUMENTS AVAILABLE

Any investor may obtain a copy of any of the following documents at:

Société Générale Bank & Trust
28-32, Place de la gare,
L-1616 Luxembourg

between 10.00 a.m. and 4.00 p.m. Luxembourg time on any day that Luxembourg banks are open for regular business:

- the Articles of Incorporation;
- the agreement between the Fund and the Management Company;
- the agreement between the Management Company and each Investment Manager (if any);
- the agreement between the Fund and the Custodian;
- the agreement between the Management Company, the Administrator and the Fund;
- the agreement between the Management Company, the Registrar Agent and the Fund;
- the most recent annual and semi-annual financial statements of the Fund.

A copy of the Prospectus, Key Investor Information Documents, the most recent financial statements and the Articles of Incorporation may be obtained free of charge upon request at the registered office of the Fund, the Management Company or the Custodian.

GLOSSARY OF TERMS

"Accumulation Shares"	Shares in relation to which income are accumulated and reflected in the price of such Shares.
"Administrator"	Société Générale Bank & Trust.
"Articles of Incorporation"	the articles of incorporation of the Fund.
"Auditor of the Fund"	Deloitte Audit
"Auditor of the Management Company"	Deloitte Audit
"Base Currency"	the currency of a Sub-Fund.
"Board of Directors of the Fund" or "Directors"	the members of the board of directors of the Fund, for the time being and any duly constituted committee thereof and any successor to such members as may be appointed from time to time.
"Board of Directors of the Management Company"	the members of the board of directors of the Management Company, for the time being and any duly constituted committee thereof and any successor to such members as may be appointed from time to time.
"Business Day"	any day as more fully described for each Sub-Fund.
"Company Law"	the Luxembourg law of 10 August 1915 on Commercial Companies, as amended.
"Custodian"	Société Générale Bank & Trust.
"EU"	European Union.
"Euro"	means the legal currency of the countries participating in the European Economic and Monetary Union.
"Group of Companies"	companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognized international accounting rules.
"Institutional Investors"	Institutional Investors, as defined by guidelines or recommendations issued by the Regulatory Authority from time to time.
"Law"	the Law of 17 December 2010 relating to Undertakings for Collective Investment.
"Management Company"	Lyxor Asset Management S.A.S, the designated management company of the Fund.
"Management Fee"	the monthly fee payable by the Fund to the Management Company according to the management company services agreement at the annual rates set forth for each Sub-Fund under the Sub-Fund's description.

"Member State"	a member State of the EU.
"Money Market Instruments"	instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time.
"Net Asset Value"	the net asset value of each class within each Sub-Fund.
"Other Regulated Market"	market which is regulated, operates regulatory and is recognized and open to the public, namely a market (i) that meets the following cumulative criteria: liquidity; multilateral order matching (general matching of bid and ask prices in order to establish a single price); transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency, (iii) which is recognized by a State or by a public authority which has been delegated by that State or by another entity which is recognized by that State or by that public authority such as a professional association and (iv) on which the securities dealt are accessible to the public.
"Other State"	any State of Europe which is not a Member State, any State of America, Africa, Asia, Australia and Oceania.
"Pricing Currency"	the currency in which the Net Asset Value of a class of Shares is calculated and expressed.
"Reference Currency"	the currency of the Fund.
"Registrar Agent"	Société Générale Bank & Trust.
"Regulated Market"	a regulated market as defined in item 20 of Article 1 of the Law of 17 December 2010 which refers to item 13 of Article 1 of the Council Directive 2004/39 EC of 10 May 1993 on investment services in the securities field ("the 2004 Directive") namely a market which appears on the list of the regulated markets drawn up by each Member State, which functions regularly, is characterized by the fact that regulations issued or approved by the competent authorities define the conditions for the operation of the market, the conditions for access to the market and the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market, requiring compliance with all the reporting and transparency requirements laid down by the 2004 Directive. An updated list of Regulated Markets is available at: http://eurlex.europa.eu/LexUriServ/site/en/oj/2005/c_300/c_30020051130en00230028.pdf
"Regulatory Authority"	the Luxembourg authority or its successor in charge of the supervision of the UCI in the Grand Duchy of

	Luxembourg.
"Securities Act"	the U.S. Securities Act of 1933, as amended.
"Shareholders"	holders of Shares in the Fund, as recorded in the books of the Fund on file with the Registrar Agent.
"Shares"	shares of any class within any Sub-Fund in the Fund.
"S&P"	Standard and Poor's Corporation.
"Sub-Fund"	a specific pool of assets established with the Fund.
"The Fund"	Lyxor Selection Fund.
"Transferable Securities"	- shares and other securities equivalent to shares; - bonds and other debt instruments; - any other negotiable securities which carry the right to acquire any such Transferable Securities by subscription or exchange with the exclusion of techniques and instruments; - loan participations.
"UCI"	an undertaking for collective investment as defined by the Luxembourg law.
"UCITS"	an undertaking for collective investment in Transferable Securities under Article 1 (2) of the UCITS Directive.
"UCITS Directive"	Council Directive 2009/65/EC of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in Transferable Securities, as amended.
"United States" or "U.S."	the United States of America, its territories or possessions or any area subject to its jurisdiction including the Commonwealth of Puerto Rico.
"U.S. Dollar" or "U.S.$"	the currency of the United States.
"U.S. Person"	means a person as defined in Regulation S of the Securities Act and thus shall include but not limited to, (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer, or other fiduciary for the benefit or account of a U.S. Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if: (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule

501(a) under the Securities Act) who are not natural persons, estates or trusts; but shall not include (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non–U.S. Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States or (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate and the estate is governed by foreign law.

"Valuation Day"	has the meaning given to it, under the relevant Sub-Funds' description under "*Characteristics*".

LIST OF AVAILABLE SUB-FUNDS

Lyxor Selection Fund – Lyxor Select Edge Fund
Lyxor Selection Fund – Lyxor MSCI Emerging Markets
Lyxor Selection Fund – Lyxor Euro Stoxx 50
Lyxor Selection Fund – Lyxor MSCI Europe
Lyxor Selection Fund – Lyxor MSCI USA
Lyxor Selection Fund – Lyxor MSCI World
Lyxor Selection Fund – Lyxor S&P 500
Lyxor Selection Fund – Lyxor Alpha Plus Fund
Lyxor Selection Fund – Bradesco International Diversification Fund - Conservative
Lyxor Selection Fund – Bradesco International Diversification Fund - Balanced
Lyxor Selection Fund – Bradesco International Diversification Fund - Growth

1. Lyxor Selection Fund – Lyxor Select Edge Fund

Investment Objective

The investment objective of the Sub-Fund is to achieve absolute returns with a low volatility (4% to 7% monthly volatility over the recommended investment period) in a good transparency and liquidity environment. The Sub-Fund is diversified by strategy and geographic focus by investing in hedge funds which specialize in a broad range of strategies.

Investment Policy

Principal Investment Strategy

The Sub-Fund seeks to achieve its investment objective by investing mainly in UCITS pursuing alternative strategies and UCITS investing in financial indices.

The portfolio constitution lies on a combination of a top down approach (diversification among strategies) and a bottom up approach (selection of underlying hedge funds).

The Management Company team has developed a management process focused on strategic allocation, hedge funds selection in the UCITS universe.

The Sub-Fund may also invest up to 30% of its net assets in shares or units of other UCIs pursuing alternative strategies in accordance with article 41 e) of the Law as more fully described under "Investment Restrictions" above.

The Sub-Fund may also invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to in 41 (2) of the Law.

The Sub-Fund may borrow funds in order to optimise its cash management within the conditions and limits described under "Investment Restrictions" above.

There can be no assurance that the Sub-Fund's investment objective will be achieved, and investment results may vary substantially over time.

Typical Investor's Profile

The Sub - Fund is suitable for investors who are willing to gain exposure to alternative strategies. The investors must be able to accept moderate temporary losses, thus the Sub-Fund is appropriate for investors who can afford to set aside the invested capital for at least 2 years. The Sub-Fund is designed for the investment objective of building up capital over the medium term.

Use of Derivatives or Other Investment Techniques and Instruments

The Sub-Fund may use derivatives including swaps and forwards for hedging, efficient portfolio management, or other risk management purposes, as described under "*Special Investment and Hedging Techniques*" above.

The Sub-Fund may further enter into swaps for investment purposes within the conditions and limits described under "*Investment Restrictions*" above.

The Sub-Fund may also enter into securities lending and borrowing transactions, as described under "*Special Investment and Hedging Techniques*" above.

Risk Management

The global exposure of this Sub-Fund is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Defensive Strategies

Under certain exceptional market conditions, the Sub-Fund may invest a significant amount of its assets in cash and cash equivalents, including Money Market Instruments, if the Management Company believes that it would be in the best interest of the Sub-Fund and its Shareholders. When the Sub-Fund is pursuing a defensive strategy, it will not be pursuing its investment objective.

Principal Risks

The principal risks of investing in the Sub-Fund are linked to:

- Risk of temporary illiquidity
- Use of derivatives and other investment techniques
- Increased cost of frequent trading
- Clearing and settlement
- Conflicts of interest
- Foreign exchange/Currency risk
- Changes in applicable laws
- Limited hedging
- Absence or lack of diversification
- Counterparty risk
- Investment in units or shares of UCIs or UCITS
- Quantitative Trading Strategies
- Risk linked to investments in alternative investment strategies

Please refer to the relevant sections under "*Principal Risks*" above.

Characteristics

Characteristics of the Share classes available in the Sub-Fund

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
class A1[1]	U.S.$	Capitalization	No
class A2[1]	Euro	Capitalization	No
class A3[1]	JPY	Capitalization	No
class A4[1]	GBP	Capitalization	No
class A5[1]	CHF	Capitalization	No
class I1[1]	U.S.$	Capitalization	No
class I2[1]	Euro	Capitalization	No
class I3[1]	JPY	Capitalization	No
class I4[1]	GBP	Capitalization	No
class I5[1]	CHF	Capitalization	No
class M1[1]	U.S.$	Capitalization	No
class M2[1]	Euro	Capitalization	No
class M3[1]	JPY	Capitalization	No
class M4[1]	GBP	Capitalization	No
class M5[1]	CHF	Capitalization	No

[1] The Management Company may, for such class of Shares, employ techniques and instruments to protect the investors of the class against currency fluctuations between the Pricing Currency and the predominant currency of the assets of the relevant class within the relevant Sub-Fund.

Share class	Maximum Sales Charge	Maximum Redemption Fee	Maximum Management Fee[2]	Maximum Performance Fee[3]	Minimum Initial Investment	Minimum Holding
class A1	5.00%	0.00%	1.85%	10.00%	Euro 1,000 or any equivalent	None
class A2						None
class A3						None
class A4						None
class A5						None
class I1	0.00%		1.00%		Euro 250,000 or any equivalent	None
class I2						None
class I3						None
class I4						None
class I5						None
class M1	5.00%		2.25%		Euro 500 or any equivalent	None
class M2						None
class M3						None
class M4						None
class M5						None

2 Paid to the Management Company. The Management Fee will be calculated and accrued weekly based on the weekly Net Asset Value of the Shares and will paid monthly in arrears. The maximum management fees of other UCIs or UCITS in which the Sub-Fund may invest shall not exceed 3.00%.

3 Paid to the Management Company.
The Management Company shall receive out of the assets of the Sub-Fund a Performance Fee up to 10% multiplied by the Class Excess Performance during a year.

For the purpose of this section, Class Excess Performance means the appreciation (or depreciation), including realized and unrealized gains and losses, in the Net Asset Value of each class of Shares, for a year period ending the last Business Day of April.

The Performance Fee is calculated and accrued on each Valuation Day and payable, if any, as of the last Business Day of April of each year. All fees and expenses (except the Performance Fee and any gain or loss on financial instruments used for the currency hedging and, as the case may be, market exposure hedging of each relevant class of Shares) payable for a given period are deducted prior to calculating the Performance Fee for such period, including the Management Fee.

In the event that a Shareholder redeems Shares on a date other than the last Business Day of April of a given year, any Performance Fee attributable to the Shares redeemed will be deducted from the redemption proceeds with respect to such Shares redeemed as if the date of Redemption were the last Business Day of April of such year.

The performance calculation will be reset at the end of the relevant period.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

Valuation Day	Subscription/ Conversion/ Redemption Date (D)[4]	Application Day and Cut-Off Time		Subscription Settlement Date	Redemption Settlement Date
		Subscription, and Conversion within the Sub-Fund	Redemption		
Each Wednesday[6] and last Business Day[5] of each month	Each Wednesday	D-5 Business Days before 4 p.m. Luxembourg time	D-5 Business Days before 4 p.m. Luxembourg time	D+3 Business Days	D+5 Business Days

4 D= Day on which the subscription, redemption and conversion applications are processed by the Registrar Agent.

5 Any day on which banks are open for normal banking business in Luxembourg.

6 If Wednesday is not a Business Day, the Valuation Day will be the next Business Day.

Subscriptions in Kind

The Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Fund or its duly appointed delegate.

Base Currency of the Sub-Fund

Euro

Launch date

The Sub-Fund has been launched on May 31, 2010.

2. Lyxor Selection Fund – Lyxor MSCI Emerging Markets

Investment Objective

The Sub-Fund is a feeder fund. As such, the Sub-Fund continually invests 85% or more of its assets in shares of the Lyxor UCITS ETF MSCI EMERGING MARKETS subject to French law (hereinafter the "**MASTER FUND**"). The unit class of the MASTER FUND invested by the Sub-Fund is the "C-USD" with the ISIN code FR0010435297.

The Sub-Fund's investment objective is to invest close to 100% of its net assets in units or shares of the MASTER FUND. On an ancillary basis, the Sub-Fund may also hold cash and/or invest in financial contracts for hedging purposes. The Sub-Fund's performance may differ from the performance of the MASTER FUND because of (i) the costs incurred by the Sub-Fund, (ii) any rebate received (in respect of its investments in the MASTER FUND) and/or (iii) as a result of the cash held by the Sub-Fund.

Given that the Sub-Fund's investment objective involves investing in units or shares of the MASTER FUND, the appropriate index for the Sub-Fund is, by transparency, the index of the MASTER FUND.

INFORMATION RELATING TO THE MASTER FUND:

GENERAL INFORMATION ON THE MASTER FUND

The MASTER FUND is a French commun fund (fonds commun de placement) authorized as a UCITS in France in accordance with the provisions of the UCITS Directive. It is managed by the Lyxor International Asset Management S.A.S.which has appointed Société Générale, 29 Bd Haussmann, 75009 Paris, France as the custodian of the MASTER FUND.

The MASTER FUND's prospectus, Key Investor Information Document, most recent annual reports and asset inventory statement are available upon request at the registered office of the Management Company and on the website www.lyxoretf.com.

THE MASTER FUND INVESTMENT OBJECTIVE

The MASTER FUND's investment objective is to give exposure to emerging market equity markets (Malaysia, South Africa, Brazil, Chile, China, Colombia, Korea, Egypt, Hungary, India, Indonesia, Mexico, Peru, Philippines, Poland, Czech Republic, Russia, Taiwan, Thailand, Turkey United Arab Emirates, Greece and Qatar) by replicating the performance of the MSCI EMERGING MARKETS™ Net Total Return index (see "Index" section), while minimising the tracking error between the Fund's performance and that of the MSCI EMERGING MARKETS™ Net Total Return index.

The expected ex-post tracking error under normal market conditions is 0.10%

THE MASTER FUND INDEX

The index is the MSCI EMERGING MARKETS™ Net Total Return Index (net dividends reinvested), denominated in US dollars (USD), (hereinafter the "Index").

The Index is an equity index that is calculated and published by the global index provider MSCI. The Index comprises solely 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 objective of the 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 Index reflects 85% of the entire market capitalisation of the emerging markets, while also mirroring the economic diversity of these markets. The MSCI methodology and calculation method are based on a variable number of companies in the Index.

A full description and the complete methodology used to construct the Index and information on the composition and respective weightings of the Index components are available on the Internet at www.msci.com.

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

MASTER FUND INDEX COMPOSITION AND REBALANCING

The Index is rebalanced quarterly. The exact composition and MSCI's rules for rebalancing the Index are available on the internet at www.msci.com.

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

MASTER FUND INDEX PUBLICATION

The Index is calculated daily at the official closing price of the exchanges where the Index constituents are listed. The Index is also calculated in real time every day that the Index is published. The Index's closing price is available via Reuters and Bloomberg.

On Reuters: .dMIEF00000NUS
On Bloomberg: NDUEEGF

The closing price of the Index is available on MSCI's website at www.msci.com:www.msci.com.

Investment Policy

1. Strategy used by the Sub-Fund:

As the Sub-Fund is a feeder fund of the MASTER FUND, it is legally required to invest a minimum of 85% of its assets in the units of the MASTER FUND, knowing that its objective is to invest close to 100% of its net assets in units of the MASTER FUND. On an ancillary basis, the Sub-Fund may also invest in financial contracts for hedging purposes and/or hold cash.

A summary of the investment strategy of the MASTER FUND is mentioned in paragraph 2 below.

2. Reminder of the investment strategy of the MASTER FUND:

a). Strategy employed by the MASTER FUND:

The MASTER FUND will comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009. To achieve the highest possible correlation with the performance of the Index, the MASTER FUND will be exposed to the Index via an indirect replication method which involves (i) the purchase of a basket of balance sheet assets (as defined below) and international equities in particular, and (ii) the use of an OTC swap contract that enables the Master Fund to achieve its investment objective by converting the exposure of its balance sheet assets into exposure to the Index.

The MASTER FUND's equity assets will be mainly the equities that make up the Index, as well as other international equities from all economic sectors, listed on all markets including small cap markets.

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 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.

The basket of equities held may be adjusted daily such that its value will generally be at least 100% of the MASTER 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 neutralize the counterparty risk arising from the swap.

Investors may find more information on the aforementioned eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.
Information on the updated composition of the basket of 'balance sheet' assets in the MASTER FUND's portfolio and the value of the swap contract concluded by the MASTER FUND is available on the page dedicated to the MASTER 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 this website.

Up to 20% of the MASTER 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 Index, particularly in the event of a public offering that substantially affects an Index security or in the event of a significant drop in the liquidity of one or more of the Index's financial instruments.

Investment in UCITS is limited to 10% of the Fund's net assets. The MASTER FUND will not invest in the shares or units of alternative investment funds.

The MASTER FUND will use OTC index-linked swaps that swap the value of the MASTER FUND's equity assets (or the value of any other asset the MASTER FUND may hold) for the value of the Index.
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 financial derivative instruments. Accordingly, these financial derivative 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 financial derivative instruments referred to above (the "Counterparty") will have no discretionary power over the composition of the MASTER FUND's portfolio nor over the underlying assets of the financial derivative instruments.

3. Typical Investor's Profile

The Sub-Fund is available to Institutional investors only. 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.

4. Risk Management

The global exposure of this Sub-Fund (as well as the MASTER FUND) is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Principal Risks

Investors' money will be invested mainly in units of the MASTER FUND.

The Sub-Fund's risk profile is comparable to that of the MASTER FUND (highlighted below in italics), with the exception of the liquidity risk of the MASTER FUND and currency risks, which are not relevant for the Sub-Fund. In addition, if the Sub-Fund invests in financial contracts for hedging purposes on an ancillary basis, investors in the Sub-Fund will be exposed to the following risks:

- Risk of using financial derivative instruments

For hedging purposes, the Sub-Fund may enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, allowing it to adjust its level of exposure to the units of the MASTER FUND. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the Sub-Fund's net asset value.

- Counterparty risk

The Sub 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. The Fund is mainly exposed to counterparty risk resulting from the use of financial derivative instruments (FDI) 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.

If a counterparty defaults on an obligation, the FDI contract may be terminated before maturity. The Sub-Fund will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.

If this counterparty risk materializes, it could have an impact on the Sub-Fund's net asset value.

Reminder of the risk profile of the MASTER FUND:

*- **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**: 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 as stated in the UCITS Directive still apply to the underlyings of the MASTER FUND 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 Index posts a negative return over the investment period.*

*- **Liquidity risk (primary market):** The MASTER FUND's liquidity and/or value may be adversely affected if, when the MASTER FUND or a counterparty to a financial derivative instrument (FDI) 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 Index may also adversely affect the subscription, conversion or redemption of the units.*

*- **Liquidity risk (secondary market):** The price of the MASTER FUND's listed units may deviate from the MASTER FUND's indicative net asset value. The liquidity of the 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 Index is suspended or stopped;
ii) trading in the market(s) in the Index's underlying assets is suspended;
iii) an exchange cannot obtain or calculate the 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 MASTER FUND is exposed to the risk that a counterparty with which the MASTER FUND has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The MASTER FUND is mainly exposed to counterparty risk resulting from the use of financial derivative instruments (FDI) 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 MASTER FUND's total assets per counterparty. If a counterparty defaults on *an obligation the FDI contract may be terminated before maturity. The MASTER FUND will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.*

If this counterparty risk materializes it could have an impact on the MASTER FUND's ability to achieve its investment objective of replicating the Index. When Société Générale is the FDI counterparty, conflicts of interest may arise between it and the MASTER FUND's management company, which has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

*- **Emerging Market Risk**: The exposure of the MASTER FUND 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 Index.*

*- **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 Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:*

*-**Risk of using financial derivative instruments:** In order to achieve its investment objective, the MASTER FUND can enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, in order to secure the performance of the Index. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the MASTER 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 MASTER FUND is domiciled, authorized for sale or listed could adversely affect the taxation of investors. In such an event, the 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 MASTER FUND's underlying assets:** A change in the taxation of the MASTER FUND's underlying assets could adversely affect the taxation of the MASTER FUND. In such an event a discrepancy between the estimated taxation and the actual taxation of the MASTER FUND and/or of the MASTER FUND's FDI counterparty may adversely affect the MASTER FUND's net asset value.*

***- Regulatory risk affecting the MASTER FUND:** In the event of a change in the regulatory regime in a jurisdiction where the MASTER FUND is domiciled, authorized for sale or listed, the subscription, conversion or redemption of units may be adversely affected.*

***-Regulatory risk affecting the MASTER FUND's underlying assets**: In the event of a change in the regulations that govern the MASTER FUND's underlying assets, the MASTER FUND's net asset value and the subscription, conversion or redemption of units may be adversely affected.*

***- Index disruption risk**: If an event adversely affects the Benchmark Index, the Fund manager may be required, as provided for by law, to suspend the subscription and redemption of the MASTER FUND's units. The calculation of the MASTER FUND's net asset value could also be adversely affected. If the disruption of the Index persists, the MASTER FUND manager will determine an appropriate course of action, which could decrease the MASTER FUND's net asset value. A 'Index event' includes but is not limited to the following situations:*

i) the Index is deemed to be inaccurate or does not reflect actual market developments;
ii) the Index is permanently cancelled by the index provider;
iii) the index provider is unable to indicate the level or value of the Index;
iv) the index provider makes a material change in the Index calculation formula or method (other than a minor modification such as an adjustment to the Index's underlying components or their respective weightings) which the MASTER FUND cannot effectively replicate at a reasonable cost;
v) an 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 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 Index's performance.

***- Operational Risk**: An operational failure within the management company or of one of its representatives may delay the subscription, conversion or redemption of units or otherwise disrupt service to investors.*

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

-***Currency risk associated with the Index****: The MASTER FUND is exposed to currency risk, as the underlying securities composing the Index may be denominated in a currency different from the Index, or be derived from securities denominated in a currency different to that of the Index. Exchange rate fluctuations can therefore have a negative impact on the Index tracked by the MASTER FUND.*

Characteristics

Characteristics of the Share classes available in the Sub-Fund

The Sub-Fund will issue the following Classes of Shares, subject to different terms and conditions described below:

- Class I1 – USD (ISIN code of the Share: LU1258450375;
- Class I2 – USD (ISIN code of the Share: LU1258450458;
- Class I3 – USD (ISIN code of the Share: LU1258450532;
- Class I4 – USD (ISIN code of the Share: LU1258450615;

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
class I1[1]	U.S.$	Capitalization	No
class I2[1]	U.S.$	Capitalization	No
class I3[1]	U.S.$	Distribution	No
class I4[1]	U.S.$	Distribution	No

[1] The Management Company may, for such class of Shares, employ techniques and instruments to protect the investors of the class against currency fluctuations between the Pricing Currency and the predominant currency of the assets of the relevant class within the relevant Sub-Fund.

Share class	Maximum Subscription Charges	Maximum Entry Fee	Maximum Redemption Charges	Maximum Exit Fee	Minimum Initial Investment	Minimum Additional Investment
Class I1	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (1) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed. .	Not applicable	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (2) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed.	Not applicable	Euro 50 000 000 or any equivalent	Euro 1 000 000
Class I2		Not applicable		Not applicable	TBC	
Class I3		Not applicable		Not applicable	TBC	
Class I4		Not applicable		Not applicable	TBC	

[1] When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

[2] When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

In accordance with the 2010 Law, the MASTER FUND will not charge subscription or redemption fees for the investment of the Sub-Fund into its units or the divestment thereof.

OPERATIONAL AND MANAGEMENT FEES

Fees charged at the level of the Sub-Fund	Base	Maximum charge
Operating and management fee (including Management Fee, Custodian Fee, Administrative, Registrar Agent Fee and also auditor, distribution and legal fees)	Net asset value	0.55% per annum

Fees charged at the level of the MASTER FUND	Base	Maximum charge

Operating and management fee (including management fee, custodian fee, administrative, registrar agent fee and also auditor, distribution and legal fees)	Net asset value	0.55% per annum The percentage of the maximum operating and management fees charged by the MASTER FUND to the Sub-Fund will be decreased by the percentage of rebate received in respect with its investment in the MASTER FUND. As a consequence this maximum operating and management fees will be equal to 0.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

THE SHARES (ISSUE AND FORM)

The Shares may be issued in registered form.
The Shares will not be fractioned.

SUBSCRIPTION OF SHARES

Requests for subscription of Shares shall be centralised by the Registrar and Transfer Agent, until 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the following Valuation Day. Requests for subscriptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received before 12 a.m. on the following Dealing Day.

Payment for Shares subscribed must be received by the Custodian and Paying Agent not later than five Business Days after the relevant Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

REDEMPTION OF SHARES

Requests for redemption of Shares shall be centralised by the Registrar and Transfer Agent, until 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the following Valuation Day. Requests for redemptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received before 12 a.m. on the following Dealing Day.

Payment for Shares redeemed will be effected as soon as possible but not later than five Business Days after the relevant Dealing Day.

DEFINITIONS

"Business Day": any full working day in Luxembourg and in Paris when the banks are opened for business.
"Dealing Day": any week day when the Index is published and investable.
"Valuation Day": each Dealing Day, taking into account the closing price of the Index on such Dealing Day.
"Subscription Deadline" and "Redemption Deadline": any Dealing Day at 12 a.m. Luxembourg time at the latest.

CONVERSION OF SHARES ON THE PRIMARY MARKET

Conversions of Shares in this particular Sub-Fund are not possible.

SUBSCRIPTIONS IN KIND

The Sub-Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and in particular in the form of share or units of the MASTER FUND and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Sub-Fund or its duly appointed delegate.

REDEMPTION IN KIND

Upon Shareholder request, the Sub-Fund shall have the right, if the board of directors so determines, to satisfy payment of the redemption price, in Kind by allocating to the shareholder units of the MASTER FUND held's in the portfolio set up in connection with such class or classes of shares of the Sub-Fund and equal in value as of the Valuation Day, on which the redemption price is calculated, to the value of the shares of the Sub-Fund to be redeemed. The costs of any such transfers, if any, shall be borne by the requesting Shareholder. All redeemed shares shall be cancelled.

Base Currency of the Sub-Fund

USD

Distribution of income

No distribution will be carried out in respect of Class I1 and I2.

The Company reserves the right to distribute once or several times a year all or part of the Sub-Fund's income, in respect of Class I3 and I4.

For the other Classes of Shares (if any), please refer to the “Dividend Policy” section of the Prospectus.

INDEX DISCLAIMER OF THE MASTER FUND

The MASTER FUND (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 producing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of units in the Fund or, more generally, to the general public, concerning the merits of trading in the share of units of investment funds in general or in units of this Fund in particular, or the ability of any MSCI index to replicate the performance of the global equities market. MSCI and 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 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 Fund's units 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 Fund's units or the determination and calculation of the formula used to establish the 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 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 MSCILICENCE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND UNITHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USEOF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHERPARTY 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.

3. Lyxor Selection Fund – Lyxor Euro Stoxx 50

Investment Objective

The Sub-Fund is a feeder fund. As such, the Sub-Fund continually invests 85% or more of its assets in shares of the LYXOR UCITS ETF EURO STOXX 50 subject to French law (hereinafter the "**MASTER FUND**"). The unit class of the MASTER FUND invested by the Sub-Fund is the "D-EUR" share class with the ISIN code FR0007054358.

The Sub-Fund's investment objective is to invest close to 100% of its net assets in units or shares of the MASTER FUND. On an ancillary basis, the Sub-Fund may also hold liquid assets and/or invest in financial contracts for hedging purposes.

The Sub-Fund's performance may differ from the performance of the MASTER FUND because of (i) the costs incurred by the Sub-Fund, (ii) any rebate received (in respect of its investments in the MASTER FUND) and/or (iii) as a result of the liquid assets held by the Sub-Fund.

Given that the Sub-Fund's investment objective involves investing in units of the MASTER FUND, the appropriate index for the Sub-Fund is, by transparency, the index of the MASTER FUND.

INFORMATION RELATING TO THE MASTER FUND:

GENERAL INFORMATION ON THE MASTER FUND

The MASTER FUND is a French commun fund (fonds commun de placement) authorized as a UCITS in France in accordance with the provisions of the UCITS Directive. It is managed by the Lyxor International Asset Management S.A.S. which has appointed Société Générale, 29 Bd Haussmann, 75009 Paris, France as the custodian of the MASTER FUND.

The MASTER FUND's prospectus, Key Investor Information Document, most recent annual reports and asset inventory statement are available upon request at the registered office of the Management Company and on the website www.lyxoretf.com.

THE MASTER FUND INVESTMENT OBJECTIVE

*The MASTER FUND's investment objective is to replicate the performance of the EURO STOXX 50® NET RETURN index, while minimising the tracking error between the MASTER FUND's performance and that of the EURO STOXX 50® NET RETURN index (hereinafter the "**Index**").*

The expected ex-post tracking error under normal market conditions is 0.25%.

THE MASTER FUND INDEX

*The Index is the EURO STOXX 50® NET RETURN index (net dividends reinvested), denominated in euros, (hereinafter the "**Index**"). The 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 Index aims for a weighting by country and by economic sector that most closely reflects the structure of the Eurozone's economy.*

MASTER FUND INDEX COMPOSITION AND REBALANCING

The Index's composition is revised annually. A full description and the complete methodology used to construct the Index and information on the composition and respective weightings of the Index components are available on the Internet at http://www.stoxx.com/indices.
The frequency with which the Index is rebalanced does not affect the cost of implementing the Investment Strategy.

The complete index methodology is available on the Internet at www.stoxx.com/indices/

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

MASTER FUND INDEX PUBLICATION

Real-time Index values are available via Bloomberg and Reuters.
On Reuters:STOXX50ER
On Bloomberg:SX5T

Investment Policy

1. Strategy used by the Sub-Fund:

As the Sub-Fund is a feeder fund of the MASTER FUND, it is legally required to invest a minimum of 85% of its assets in the units of the MASTER FUND, knowing that its objective is to invest close to 100% of its net assets in units of the MASTER FUND. On an ancillary basis, the Sub-Fund may also invest in financial contracts for hedging purposes and/or hold liquid assets.

A summary of the investment strategy of the MASTER FUND is mentioned in paragraph 2 below.

2. Reminder of the investment strategy of the MASTER FUND:

a). Strategy employed by the MASTER FUND:

The MASTER FUND will comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009. To achieve the highest possible correlation with the performance of the Index, the MASTER FUND will be exposed to the Index via an indirect replication method which involves (i) the purchase of a basket of balance sheet assets (as defined below) and international equities in particular, and (ii) the use of an OTC swap contract that enables the MASTER FUND to achieve its investment objective by converting the exposure of its balance sheet assets into exposure to the Index.

The MASTER FUND's equity assets will be mainly the equities that make up the Index, as well as other international equities from all economic sectors, listed on all markets including small cap markets.

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 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.

The basket of equities held may be adjusted daily such that its value will generally be at least 100% of the MASTER 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 neutralize the counterparty risk arising from the swap.

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

Information on the updated composition of the basket of 'balance sheet' assets in the MASTER FUND's portfolio and the value of the swap contract concluded by the MASTER FUND is available on the page dedicated to the MASTER 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 this website.

The MASTER 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 MASTER FUND for French 'PEA' equity savings plans. Up to 20% of the MASTER 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 Index, particularly in the event of a public offering that substantially affects an Index security or in the event of a significant drop in the liquidity of one or more of the Index's financial instruments Investment in UCITS is limited to 10% of the MASTER FUND's net assets.

The MASTER FUND will not invest in the shares or units of alternative investment funds.

The MASTER FUND will use OTC index-linked swaps that swap the value of the Fund's equity assets (or the value of any other asset the MASTER FUND may hold) for the value of the Index.

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 financial derivative instruments. Accordingly, these financial derivative 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 financial derivative instruments referred to above (the "**Counterparty**") will have no discretionary power over the composition of the MASTER FUND's portfolio or over the underlying assets of the financial derivative instruments.*

3. Typical Investor's Profile

The Sub-Fund's is available Institutional investor only. Investors subscribing to 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.

4. Risk Management

The global exposure of this Sub-Fund (as well as the MASTER FUND) is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Principal Risks

Investors' money will be invested mainly in units of the MASTER FUND.

The Sub-Fund's risk profile is comparable to that of the MASTER FUND (highlighted below in italics), with the exception of the liquidity risk of the MASTER FUND, which are not relevant for the Sub-Fund. In addition, if the Sub-Fund invests in financial contracts for hedging purposes on an ancillary basis, investors in the Sub-Fund will be exposed to the following risks:

- Risk of using financial derivative instruments

For hedging purposes, the Sub-Fund may enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, allowing it to adjust its level of exposure to the units of the MASTER FUND. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the Sub-Fund's net asset value.

- *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 financial derivative instruments (FDI) 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.

If a counterparty defaults on an obligation, the FDI contract may be terminated before maturity. The Sub-Fund will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.
If this counterparty risk materializes, it could have an impact on the Sub-Fund's net asset value.

Reminder of the risk profile of the MASTER FUND:

*- **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 Index posts a negative return over the investment period.*

*- **Liquidity risk (primary market):** The MASTER FUND's liquidity and/or value may be adversely affected if, when the MASTER FUND or a counterparty to a financial derivative instrument (FDI) 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 Index may also adversely affect the subscription, conversion or redemption of the units.*

*- **Liquidity risk (secondary market):** The price of the MASTER FUND's listed units may deviate from the MASTER FUND's indicative net asset value. The liquidity of the 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 Index is suspended or stopped;
ii) trading in the market(s) in the Index's underlying assets is suspended;
iii) an exchange cannot obtain or calculate the 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 MASTER FUND is exposed to the risk that a counterparty with which the MASTER FUND has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The MASTER FUND is mainly exposed to counterparty risk resulting from the use of financial derivative instruments (FDI) 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 MASTER FUND's total assets per counterparty. If a counterparty defaults on an obligation the FDI contract may be terminated before maturity. The MASTER FUND will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.

If this counterparty risk materializes it could have an impact on the MASTER FUND's ability to achieve its investment objective of replicating the Index. When Société Générale is the FDI counterparty, conflicts of interest may arise between it and the MASTER FUND's management company, which has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

*- **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 Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:*

-***Risk of using financial derivative instruments:*** *In order to achieve its investment objective, the MASTER FUND can enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, in order to secure the performance of the Index. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the MASTER 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 MASTER FUND is domiciled, authorized for sale or listed could adversely affect the taxation of investors. In such an event, the 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 MASTER FUND's underlying assets: *A change in the taxation of the MASTER FUND's underlying assets could adversely affect the taxation of the MASTER FUND. In such an event a discrepancy between the estimated taxation and the actual taxation of the MASTER FUND and/or of the MASTER FUND's FDI counterparty may adversely affect the MASTER FUND's net asset value.*

- Regulatory risk affecting the MASTER FUND: *In the event of a change in the regulatory regime in a jurisdiction where the MASTER FUND is domiciled, authorized for sale or listed, the subscription, conversion or redemption of units may be adversely affected.*

-Regulatory risk affecting the MASTER FUND's underlying assets*: In the event of a change in the regulations that govern the MASTER FUND's underlying assets, the MASTER FUND's net asset value and the subscription, conversion or redemption of units may be adversely affected.*

- Index disruption risk*: If an event adversely affects the Index, the MASTER FUND manager may be required, as provided for by law, to suspend the subscription and redemption of the MASTER FUND's units. The calculation of the MASTER FUND's net asset value could also be adversely affected. If the disruption of the Index persists, the MASTER FUND manager will determine an appropriate course of action, which could decrease the MASTER FUND's net asset value. A 'Index event' includes but is not limited to the following situations:*
i) the Index is deemed to be inaccurate or does not reflect actual market developments;
ii) the Index is permanently cancelled by the index provider;
iii) the index provider is unable to indicate the level or value of the Index;
iv) the index provider makes a material change in the Index calculation formula or method (other than a minor modification such as an adjustment to the Index's underlying components or their respective weightings) which the MASTER FUND cannot effectively replicate at a reasonable cost;
v) an 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 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 Index's performance.

- Operational Risk*: An operational failure within the management company or of one of its representatives may delay the subscription, conversion or redemption of units or otherwise disrupt service to investors.*

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

Characteristics

Characteristics of the Share classes available in the Sub-Fund

The Sub-Fund will issue the following Classes of Shares, subject to different terms and conditions described below:

- Class I1 – EUR (ISIN code of the Share: LU1258450706);
- Class I2 – EUR (ISIN code of the Share: LU1258450888);
- Class I3 – EUR (ISIN code of the Share: LU1258450961);
- Class I4 – EUR (ISIN code of the Share: LU1258451001);

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
class I1[1]	EUR	Capitalization	No
class I2[1]	EUR	Capitalization	No
class I3[1]	EUR	Distribution	No
class I4[1]	EUR	Distribution	No

[1] The Management Company may, for such class of Shares, employ techniques and instruments to protect the investors of the class against currency fluctuations between the Pricing Currency and the predominant currency of the assets of the relevant class within the relevant Sub-Fund.

<table>
<tr><th>Share class</th><th>Maximum Subscription Charges</th><th>Maximum Entry Fee</th><th>Maximum Redemption Charges</th><th>Maximum Exit Fee</th><th>Minimum Initial Investment</th><th>Minimum Additional Investment</th></tr>
<tr><td>Class I1</td><td rowspan="4">The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (1) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed.
.</td><td>Not applicable</td><td rowspan="4">The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (2) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed.</td><td>Not applicable</td><td>Euro 50 000 000 or any equivalent</td><td>Euro 1 000 000</td></tr>
<tr><td>Class I2</td><td>Not applicable</td><td>Not applicable</td><td>TBC</td><td></td></tr>
<tr><td>Class I3</td><td>Not applicable</td><td>Not applicable</td><td>TBC</td><td></td></tr>
<tr><td>Class I4</td><td>Not applicable</td><td>Not applicable</td><td>TBC</td><td></td></tr>
</table>

[1] When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

[2] When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

In accordance with the Law, the MASTER FUND will not charge subscription or redemption fees for the investment of the Sub-Fund into its units or the divestment thereof.

OPERATIONAL AND MANAGEMENT FEES

Fees charged at the level of the Sub-Fund	Base	Maximum charge
Operating and management fee (including Management Fee, Custodian Fee, Administrative, Registrar Agent Fee and also auditor, distribution and legal fees)	Net asset value	0.20% per annum

Fees charged at the level of the MASTER FUND	Base	Maximum charge
Operating and management fee (including management fee, custodian fee, administrative, registrar agent fee and also auditor, distribution and legal fees)	Net asset value	0.20% per annum The percentage of the maximum operating and management fees charged by the MASTER FUND to the Sub-Fund will be decreased by the percentage of rebate received in respect with its investment in the MASTER FUND. As a consequence this maximum operating and management fees will be equal to 0.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

THE SHARES (ISSUE AND FORM)

The Shares may be issued in registered form.
The Shares will not be fractioned.

SUBSCRIPTION OF SHARES

Requests for subscription of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the relevant Valuation Day. Requests for subscriptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares subscribed must be received by the Custodian and Paying Agent not later than five Business Days after the relevant Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

REDEMPTION OF SHARES

Requests for redemption of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the relevant Valuation Day. Requests for redemptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares redeemed will be effected as soon as possible but not later than five Business Days after the relevant Dealing Day.

DEFINITIONS

"Business Day": any full working day in Luxembourg and in Paris when the banks are opened for business.
"Dealing Day": any week day when the Index is published and investable.
"Valuation Day": each Dealing Day, taking into account the closing price of the Index on such Dealing Day.
"Subscription Deadline" and "Redemption Deadline": any Dealing Day at 12 a.m. Luxembourg time at the latest.

CONVERSION OF SHARES ON THE PRIMARY MARKET

Conversions of Shares in this particular Sub-Fund are not possible.

SUBSCRIPTIONS IN KIND

The Sub-Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Sub-Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Sub-Fund or its duly appointed delegate.

REDEMPTION IN KIND

Upon Shareholder request, the Sub-Fund shall have the right, if the board of directors so determines, to satisfy payment of the redemption price, in Kind by allocating to the shareholder units of the MASTER FUND held's in the portfolio set up in connection with such class or classes of shares of the Sub-Fund and equal in value as of the Valuation Day, on which the redemption price is calculated, to the value of the shares of the Sub-Fund to be redeemed. The costs of any such transfers, if any, shall be borne by the requesting Shareholder. All redeemed shares shall be cancelled.

Base Currency of the Sub-Fund

Euro

Distribution of income

No distribution will be carried out in respect of Class I1 and I2.

The Company reserves the right to distribute once or several times a year all or part of the Sub-Fund's income, in respect of Class I3 and I4.

For the other Classes of Shares (if any), please refer to the "Dividend Policy" section of the Prospectus.

Disclaimer

STOXX and its licensors have no relationship to the licensee, other than the licensing of the EURO STOXX 50® NET RETURN index and the related trademarks for use in connection with the LYXOR UCITS ETF EURO STOXX 50 fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the FCP LYXOR UCITS ETF EURO STOXX 50 fund, which they also refrain from marketing or promoting.
- make no recommendation to anyone whomsoever to invest in the LYXOR UCITS ETF EURO STOXX 50 fund or in any other securities.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the LYXOR UCITS ETF EURO STOXX 50 fund units, and will 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 UCITS ETF EURO STOXX 50 fund.
- have no obligation to take into consideration the needs of the LYXOR UCITS ETF EURO STOXX 50 fund or of its unit-holders when determining, constructing or calculating the EURO STOXX 50® NET RETURN index.

STOXX and its licensors disclaim any and all liability in connection with the LYXOR UCITS ETF EURO STOXX 50 fund and in particular:

STOXX and its licensors make no warranty, express or implied, whatsoever regarding the following:

- the results to be obtained by the LYXOR UCITS ETF EURO STOXX 50 fund, by an investor in the LYXOR UCITS ETF EURO STOXX 50 fund, or by anyone who uses the EURO STOXX 50® NET RETURN index or its data
- the accuracy or completeness of the EURO STOXX 50® NET RETURN index or its data
- the negotiability of the EURO STOXX 50® NET RETURN 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® NET RETURN 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 entered into in their sole interest and not in the interest of the LYXOR UCITS ETF EURO STOXX 50 fund's unit-holders nor in the interest of any third party.

4. Lyxor Selection Fund – Lyxor MSCI Europe

Investment Objective

The Sub-Fund is a feeder fund. As such, the Sub-Fund continually invests 85% or more of its assets in shares of the LYXOR UCITS ETF MSCI EUROPE subject to French law (hereinafter the "**MASTER FUND**"). The unit class of the MASTER FUND invested by the Sub-Fund is the "D-EUR" share class with the ISIN code FR0010261198.

The Sub-Fund's investment objective is to invest close to 100% of its net assets in units or shares of the MASTER FUND. On an ancillary basis, the Sub-Fund may also hold liquid assets and/or invest in financial contracts for hedging purposes.

The Sub-Fund's performance may differ from the performance of the MASTER FUND because of (i) the costs incurred by the Sub-Fund, (ii) any rebate received (in respect of its investments in the MASTER FUND) and/or (iii) as a result of the liquid assets held by the Sub-Fund.

Given that the Sub-Fund's investment objective involves investing in units of the MASTER FUND, the appropriate index for the Sub-Fund is, by transparency, the index of the MASTER FUND.

INFORMATION RELATING TO THE MASTER FUND:

GENERAL INFORMATION ON THE MASTER FUND

The MASTER FUND is a French commun fund (fonds commun de placement) authorized as a UCITS in France in accordance with the provisions of the UCITS Directive. It is managed by the Lyxor International Asset Management S.A.S. which has appointed Société Générale, 29 Bd Haussmann, 75009 Paris, France as the custodian of the MASTER FUND.

The MASTER FUND's prospectus, Key Investor Information Document, most recent annual reports and asset inventory statement are available upon request at the registered office of the Management Company and on the website www.lyxoretf.com.

THE MASTER FUND INVESTMENT OBJECTIVE

The MASTER FUND's objective is to replicate the performance of the MSCI Europe Net Total Return index(see the "Index" section below) whether positive or negative, while minimising the tracking error between the MASTER FUND's performance and that of the MSCI Europe Net Total Return index.

The expected ex-post tracking error under normal market conditions is 0.10%.

THE MASTER FUND INDEX

*The index is the MSCI Europe Net Total Return index (net dividends reinvested), denominated in Euros (EUR), (hereinafter the "**Index**").*
The Index is an equity index calculated and published by international index provider MSCI. The Index features the basic characteristics of MSCI indices, which include:

a) the same investment universe of securities;
b) free-float adjustment of index components;
c) classification by sector in accordance with the Global Industry Classification Standard (GICS).

The Index is comprised solely of European stocks and currently those of the following countries: Germany, Austria, Belgium, Denmark, Spain, Finland, France, Ireland, Italy, Norway, Netherlands, Portugal, United Kingdom, Sweden and Switzerland.
It aims to represent 85% of the free-float adjusted market capitalisation of each country and of each major European industry group.
By targeting 85% of each country and of each industry group, the Index will reflect 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 Index.

A full description and the complete methodology used to construct the Index and information on the composition and respective weightings of the Index components are available on the Internet at http://www.msci.com.

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

MASTER FUND INDEX COMPOSITION AND REBALANCING

The Index is rebalanced quarterly to comply with the objective of representing 85% of the adjusted market capitalisation of each country and industry group and to account for any developments that may affect a stock's market capitalisation (such as the number of shares outstanding and 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 Index revision rules are published by MSCI and are available on MSCI's website at www.msci.com.
The frequency with which the Index is rebalanced does not affect the cost of implementing the Investment Strategy.

MASTER FUND INDEX PUBLICATION

The official MSCI indices are calculated continuously from 9.00am to 5.30pm (Paris time) for which MSCI calculates a closing price using the official closing prices of the constituent stocks.
The Index is also calculated in real time every stock exchange trading day.
The Index is available via Reuters and Bloomberg.
On Reuters.MIEU00000NEU
On Bloomberg: M7EU
The closing price of the Benchmark Index is available on MSCI's website atwww.msci.com.

Investment Policy

1. Strategy used by the Sub-Fund:

As the Sub-Fund is a feeder fund of the MASTER FUND, it is legally required to invest a minimum of 85% of its assets in the units of the MASTER FUND, knowing that its objective is to invest close to 100% of its net assets in units of the MASTER FUND. On an ancillary basis, the Sub-Fund may also invest in financial contracts for hedging purposes and/or hold liquid assets.

A summary of the investment strategy of the MASTER FUND is mentioned in paragraph 2 below.

2. Reminder of the investment strategy of the MASTER FUND:

a). Strategy employed by the MASTER FUND:

The MASTER FUND will comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009. To achieve the highest possible correlation with the performance of the Index, the MASTER FUND will be exposed to the Index via an indirect replication method which involves (i) the purchase of a basket of balance sheet assets (as defined below) and international equities in particular, and (ii) the use of an OTC swap contract that enables the MASTER FUND to achieve its investment objective by converting the exposure of its balance sheet assets into exposure to the Index.

The MASTER FUND's equity assets will be mainly the equities that make up the Index, as well as other international equities from all economic sectors, listed on all markets including small cap markets.

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 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.

The basket of equities held may be adjusted daily such that its value will generally be at least 100% of the MASTER 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 neutralize the counterparty risk arising from the swap.

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

Information on the updated composition of the basket of 'balance sheet' assets in the MASTER FUND's portfolio and the value of the swap contract concluded by the MASTER FUND is available on the page dedicated to the MASTER 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 this website.

The MASTER 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 MASTER FUND for French 'PEA' equity savings plans.

Up to 20% of the MASTER 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 Index, particularly in the event of a public offering that substantially affects an Index security or in the event of a significant drop in the liquidity of one or more of the Index's financial instruments.

The MASTER FUND will not invest in the shares or units of alternative investment funds.

The MASTER FUND will use OTC index-linked swaps that swap the value of the MASTER FUND's equity assets (or the value of any other asset the MASTER FUND may hold) for the value of the Index.

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 financial derivative instruments. Accordingly, these financial derivative 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 financial derivative instruments referred to above (the "**Counterparty**") will have no discretionary power over the composition of the MASTER FUND's portfolio or over the underlying assets of the financial derivative instruments.*

3. Typical Investor's Profile

The Sub-Fund's is available to Institutional investors only. Investors subscribing to 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.

4. Risk Management

The global exposure of this Sub-Fund (as well as the MASTER FUND) is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Principal Risks

Investors' money will be invested mainly in units of the MASTER FUND.

The Sub-Fund's risk profile is comparable to that of the MASTER FUND (highlighted below in italics), with the exception of the liquidity risk of the MASTER FUND, which are not relevant for the Sub-Fund. In addition, if the Sub-Fund invests in financial contracts for hedging purposes on an ancillary basis, investors in the Sub-Fund will be exposed to the following risks:

- Risk of using financial derivative instruments

For hedging purposes, the Sub-Fund may enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, allowing it to adjust its level of exposure to the units of the MASTER FUND. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the Sub-Fund's net asset value.

- *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 financial derivative instruments (FDI) 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.

If counterparty defaults on an obligation, the FDI contract may be terminated before maturity. The Sub-Fund will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.
If this counterparty risk materializes, it could have an impact on the Sub-Fund's net asset value.

Reminder of the risk profile of the MASTER FUND:

*- **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 Index posts a negative return over the investment period.*

*- **Liquidity risk (primary market):** The MASTER FUND's liquidity and/or value may be adversely affected if, when the MASTER FUND or a counterparty to a financial derivative instrument (FDI) 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 Index may also adversely affect the subscription, conversion or redemption of the units.*

*- **Liquidity risk (secondary market):** The price of the MASTER FUND's listed units may deviate from the MASTER FUND's indicative net asset value. The liquidity of the 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 Index is suspended or stopped;
ii) trading in the market(s) in the Index's underlying assets is suspended;
iii) an exchange cannot obtain or calculate the 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 MASTER FUND is exposed to the risk that a counterparty with which the MASTER FUND has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The MASTER FUND is mainly exposed to counterparty risk resulting from the use of financial derivative instruments (FDI) 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 MASTER FUND's total assets per counterparty. If a counterparty defaults on an obligation the FDI contract may be terminated before maturity. The MASTER FUND will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.

If this counterparty risk materializes it could have an impact on the MASTER FUND's ability to achieve its investment objective of replicating the Index. When Société Générale is the FDI counterparty, conflicts of interest may arise between it and the MASTER FUND's management company, which has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

*- **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 Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:*

*-**Risk of using financial derivative instruments:** In order to achieve its investment objective, the MASTER FUND can enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, in order to secure the performance of the Index. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the MASTER 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 MASTER FUND is domiciled, authorized for sale or listed could adversely affect the taxation of investors. In such an event, the MASTER 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 MASTER FUND's underlying assets:** A change in the taxation of the MASTER FUND's underlying assets could adversely affect the taxation of the MASTER FUND. In such an event a discrepancy between the estimated taxation and the actual taxation of the MASTER FUND and/or of the MASTER FUND's FDI counterparty may adversely affect the MASTER FUND's net asset value.*

*- **Regulatory risk affecting the MASTER FUND:** In the event of a change in the regulatory regime in a jurisdiction where the MASTER FUND is domiciled, authorized for sale or listed, the subscription, conversion or redemption of units may be adversely affected.*

*-**Regulatory risk affecting the MASTER FUND's underlying assets**: In the event of a change in the regulations that govern the MASTER FUND's underlying assets, the MASTER FUND's net asset value and the subscription, conversion or redemption of units may be adversely affected.*

*- **Index disruption risk**: If an event adversely affects the Benchmark Index, the MASTER FUND manager may be required, as provided for by law, to suspend the subscription and redemption of the MASTER FUND's units. The calculation of the MASTER FUND's net asset value could also be adversely affected. If the disruption of the Index persists, the MASTER FUND manager will determine an appropriate course of action, which could decrease the MASTER FUND's net asset value. A 'Index event' includes but is not limited to the following situations:*
i) the Index is deemed to be inaccurate or does not reflect actual market developments;
ii) the Index is permanently cancelled by the index provider;
iii) the index provider is unable to indicate the level or value of the Index;
iv) the index provider makes a material change in the Index calculation formula or method (other than a minor modification such as an adjustment to the Index's underlying components or their respective weightings) which the MASTER FUND cannot effectively replicate at a reasonable cost;
v) an 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 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 Index's performance.

*- **Operational Risk**: An operational failure within the management company or of one of its representatives may delay the subscription, conversion or redemption of units or otherwise disrupt service to investors.*

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

*- **Currency risk associated with the Index**: The MASTER FUND is exposed to currency risk, as the underlying securities composing the Index may be denominated in a currency different from the Index, or be derived from securities denominated in a currency different to that of the Index. Exchange rate fluctuations can therefore have a negative impact on the Index tracked by the MASTER FUND.*

Characteristics

Characteristics of the Share classes available in the Sub-Fund

The Sub-Fund will issue the following Classes of Shares, subject to different terms and conditions described below:

- Class I1 – EUR (ISIN code of the Share: LU1258451183);
- Class I2 – EUR (ISIN code of the Share: LU1258451266;)
- Class I3 – EUR (ISIN code of the Share: LU1258451340);
- Class I4 – EUR (ISIN code of the Share: LU1258451423);

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
class I1[1]	EUR	Capitalization	No
class I2[1]	EUR	Capitalization	No
class I3[1]	EUR	Distribution	No
class I4[1]	EUR	Distribution	No

[1] The Management Company may, for such class of Shares, employ techniques and instruments to protect the investors of the class against currency fluctuations between the Pricing Currency and the predominant currency of the assets of the relevant class within the relevant Sub-Fund.

Share class	Maximum Subscription Charges	Maximum Entry Fee	Maximum Redemption Charges	Maximum Exit Fee	Minimum Initial Investment	Minimum Additional Investment
Class I1	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (1) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed. .	Not applicable	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (2) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed.	Not applicable	Euro 50 000 000 or any equivalent	Euro 1 000 000
Class I2		Not applicable		Not applicable	TBC	
Class I3		Not applicable		Not applicable	TBC	
Class I4		Not applicable		Not applicable	TBC	

[1] When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

[2] When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

In accordance with the Law, the MASTER FUND will not charge subscription or redemption fees for the investment of the Sub-Fund into its units or the divestment thereof.

OPERATIONAL AND MANAGEMENT FEES

Fees charged at the level of the Sub-Fund	Base	Maximum charge
Operating and management fee (including Management Fee, Custodian Fee, Administrative, Registrar Agent Fee and also auditor, distribution and legal fees)	Net asset value	0.30% per annum

Fees charged at the level of the MASTER FUND	Base	Maximum charge
Operating and management fee (including management fee, custodian fee, administrative, registrar agent fee and also auditor, distribution and legal fees)	Net asset value	0.30% per annum The percentage of the maximum operating and management fees charged by the MASTER FUND to the Sub-Fund will be decreased by the percentage of rebate received in respect with its investment in the MASTER FUND. As a consequence this maximum operating and management fees will be equal to 0.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

THE SHARES (ISSUE AND FORM)

The Shares may be issued in registered form.
The Shares will not be fractioned.

SUBSCRIPTION OF SHARES

Requests for subscription of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated

as of the relevant Valuation Day. Requests for subscriptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares subscribed must be received by the Custodian and Paying Agent not later than five Business Days after the relevant Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

REDEMPTION OF SHARES

Requests for redemption of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the relevant Valuation Day. Requests for redemptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares redeemed will be effected as soon as possible but not later than five Business Days after the relevant Dealing Day.

DEFINITIONS

"Business Day": any full working day in Luxembourg and in Paris when the banks are opened for business.
"Dealing Day": any week day when the Index is published and investable.
"Valuation Day": each Dealing Day, taking into account the closing price of the Index on such Dealing Day.
"Subscription Deadline" and "Redemption Deadline": any Dealing Day at 12 a.m. Luxembourg time at the latest.

CONVERSION OF SHARES ON THE PRIMARY MARKET

Conversions of Shares in this particular Sub-Fund are not possible.

SUBSCRIPTIONS IN KIND

The Sub-Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Sub-Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Sub-Fund or its duly appointed delegate.

REDEMPTION IN KIND

Upon Shareholder request, the Sub-Fund shall have the right, if the board of directors so determines, to satisfy payment of the redemption price, in Kind by allocating to the shareholder units of the MASTER FUND held's in the portfolio set up in connection with such class or classes of shares of the Sub-Fund and equal in value as of the Valuation Day, on which the redemption price is calculated, to the value of the shares of the Sub-Fund to be redeemed. The costs of any such transfers, if any, shall be borne by the requesting Shareholder. All redeemed shares shall be cancelled.

Base Currency of the Sub-Fund

Euro

Distribution of income

No distribution will be carried out in respect of Class I1 and I2.

The Company reserves the right to distribute once or several times a year all or part of the Sub-Fund's income, in respect of Class I3 and I4.

For the other Classes of Shares (if any), please refer to the "Dividend Policy" section of the Prospectus.

Disclaimer

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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 UNITHOLDERS 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.

5. Lyxor Selection Fund – Lyxor MSCI USA

Investment Objective

The Sub-Fund is a feeder fund. As such, the Sub-Fund continually invests 85% or more of its assets in shares of the LYXOR UCITS ETF MSCI USA subject to French law (hereinafter the "**MASTER FUND**"). The unit class of the MASTER FUND invested by the Sub-Fund is the "D-USD" share class with the ISIN code FR0010372193.

The Sub-Fund's investment objective is to invest close to 100% of its net assets in units of the MASTER FUND. On an ancillary basis, the Sub-Fund may also hold liquid assets and/or invest in financial contracts for hedging purposes.

The Sub-Fund's performance may differ from the performance of the MASTER FUND because of (i) the costs incurred by the Sub-Fund, (ii) any rebate received (in respect of its investments in the MASTER FUND) and/or (iii) as a result of the liquid assets held by the Sub-Fund.

Given that the Sub-Fund's investment objective involves investing in units of the MASTER FUND, the appropriate index for the Sub-Fund is, by transparency, the index of the MASTER FUND.

INFORMATION RELATING TO THE MASTER FUND:

GENERAL INFORMATION ON THE MASTER FUND

The MASTER FUND is a French commun fund (fonds commun de placement) authorized as a UCITS in France in accordance with the provisions of the UCITS Directive. It is managed by the Lyxor International Asset Management S.A.S.which has appointed Société Générale, 29 Bd Haussmann, 75009 Paris, France as the custodian of the MASTER FUND.

The MASTER FUND's prospectus, Key Investor Information Document, most recent annual reports and asset inventory statement are available upon request at the registered office of the Management Company and on the website www.lyxoretf.com.

THE MASTER FUND INVESTMENT OBJECTIVE

The MASTER FUND's objective is to replicate the performance of the MSCI USA Net Total Return index (see the "Index" section), whether positive or negative, while minimising the tracking error between the MASTER FUND's performance and the performance of the MSCI USA Net Total Return index.

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

THE MASTER FUND INDEX

The index is the MSCI USA Net Total Return index (net dividends reinvested), denominated in US dollars (the "Index").

The Index is an equity index that is calculated and published by the global index provider MSCI.
The Index consists exclusively of the stocks of US companies and has the same basic characteristics as the MSCI indices, which include adjustment of the market capitalisation of the stocks in the index based on their free float and classification by sector using the Global Industry Classification Standard (GICS).

The objective of the Index is to represent 85% of the free float-adjusted market capitalisation of the US market, while reflecting its economic diversity. The MSCI methodology and calculation method are based on a variable number of companies in the Index. A full description and the complete methodology used to construct the Index and information on the composition and respective weightings of the Index components are available on the Internet at www.msci.com.

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

The Index is weighted by market capitalization.

MASTER FUND INDEX COMPOSITION AND REBALANCING

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 Index is rebalanced does not affect the cost of implementing the

Investment Strategy. The Index revision rules are published by MSCI and are available on MSCI's website at www.msci.com.

MASTER FUND 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 Index is also calculated in real time every day that the Index is published. The Benchmark Index is available via Reuters and Bloomberg.
On Reuters:.dMIUS00000NUS
On Bloomberg: NDDUUS
The closing price of the Index is available on MSCI's website www.msci.com.

Investment Policy

1. Strategy used by the Sub-Fund:

As the Sub-Fund is a feeder fund of the MASTER FUND, it is legally required to invest a minimum of 85% of its assets in the units of the MASTER FUND, knowing that its objective is to invest close to 100% of its net assets in units of the MASTER FUND. On an ancillary basis, the Sub-Fund may also invest in financial contracts for hedging purposes and/or hold liquid assets.

A summary of the investment strategy of the MASTER FUND is mentioned in paragraph 2 below.

2. Reminder of the investment strategy of the MASTER FUND:

a) Strategy employed by the MASTER FUND:

The MASTER FUND will comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009. To achieve the highest possible correlation with the performance of the Index, the MASTER FUND will be exposed to the Index via an indirect replication method which involves (i) the purchase of a basket of balance sheet assets (as defined below) and international equities in particular, and (ii) the use of an OTC swap contract that enables the Sub-Fund to achieve its investment objective by converting the exposure of its balance sheet assets into exposure to the Index.

The MASTER FUND's equity assets will be mainly the equities that make up the Index, as well as other international equities from all economic sectors, listed on all markets including small cap markets.

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 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.

The basket of equities held may be adjusted daily such that its value will generally be at least 100% of the MASTER 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 neutralize the counterparty risk arising from the swap.

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

Information on the updated composition of the basket of 'balance sheet' assets in the MASTER FUND's portfolio and the value of the swap contract concluded by the MASTER FUND is available on the page dedicated to the MASTER 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 this website.

Up to 20% of the MASTER 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 Index, particularly in the event of a public offering that substantially affects an Index security or in the event of a significant drop in the liquidity of one or more of the Index's financial instruments.

The MASTER FUND will not invest in the shares or units of alternative investment funds.

The MASTER FUND will use OTC index-linked swaps that swap the value of the MASTER FUND's equity assets (or the value of any other asset the MASTER FUND may hold) for the value of the Index.

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 financial derivative instruments. Accordingly, these financial derivative 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 financial derivative instruments referred to above (the "**Counterparty**") will have no discretionary power over the composition of the MASTER FUND's portfolio or over the underlying assets of the financial derivative instruments.*

3. Typical Investor's Profile

The Sub-Fund's is available to Institutional investors only. Investors subscribing to this Sub-Fund are seeking exposure to the United States 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.

4. Risk Management

The global exposure of this Sub-Fund (as well as the MASTER FUND) is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Principal Risks

Investors' money will be invested mainly in units of the MASTER FUND.

The Sub-Fund's risk profile is comparable to that of the MASTER FUND (highlighted below in italics), with the exception of the liquidity risk of the MASTER FUND, which are not relevant for the Sub-Fund. In addition, if the Sub-Fund invests in financial contracts for hedging purposes on an ancillary basis, investors in the Sub-Fund will be exposed to the following risks:

- Risk of using financial derivative instruments

For hedging purposes, the Sub-Fund may enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, allowing it to adjust its level of exposure to the units of the MASTER FUND. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the Sub-Fund's net asset value.

- *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 financial derivative instruments (FDI) 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.

If counterparty defaults on an obligation, the FDI contract may be terminated before maturity. The Sub-Fund will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.
If this counterparty risk materializes, it could have an impact on the Sub-Fund's net asset value.

Reminder of the risk profile of the MASTER FUND:

*- **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 Index posts a negative return over the investment period.*

*- **Liquidity risk (primary market):** The MASTER FUND's liquidity and/or value may be adversely affected if, when the MASTER FUND or a counterparty to a financial derivative instrument (FDI) 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 Index may also adversely affect the subscription, conversion or redemption of the units.*

*- **Liquidity risk (secondary market):** The price of the MASTER FUND's listed units may deviate from the MASTER FUND's indicative net asset value. The liquidity of the 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 Index is suspended or stopped;
ii) trading in the market(s) in the Index's underlying assets is suspended;
iii) an exchange cannot obtain or calculate the 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 MASTER FUND is exposed to the risk that a counterparty with which the MASTER FUND has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The MASTER FUND is mainly exposed to counterparty risk resulting from the use of financial derivative instruments (FDI) 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 MASTER FUND's total assets per counterparty. If a counterparty defaults on an obligation the FDI contract may be terminated before maturity. The MASTER FUND will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.

If this counterparty risk materializes it could have an impact on the MASTER FUND's ability to achieve its investment objective of replicating the Index. When Société Générale is the FDI counterparty, conflicts of interest may arise between it and the MASTER FUND's management company, which has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

*- **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 Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:*

*-**Risk of using financial derivative instruments:** In order to achieve its investment objective, the MASTER FUND can enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, in order to secure the performance of the Index. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the MASTER 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 MASTER FUND is domiciled, authorized for sale or listed could adversely affect the taxation of investors. In such an event, the MASTER 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 MASTER FUND's underlying assets:** A change in the taxation of the MASTER FUND's underlying assets could adversely affect the taxation of the MASTER FUND. In such an event a discrepancy between the estimated taxation and the actual taxation of the MASTER FUND and/or of the MASTER FUND's FDI counterparty may adversely affect the MASTER FUND's net asset value.*

*- **Regulatory risk affecting the MASTER FUND:** In the event of a change in the regulatory regime in a jurisdiction where the MASTER FUND is domiciled, authorized for sale or listed, the subscription, conversion or redemption of units may be adversely affected.*

*-**Regulatory risk affecting the MASTER FUND's underlying assets**: In the event of a change in the regulations that govern the MASTER FUND's underlying assets, the MASTER FUND's net asset value and the subscription, conversion or redemption of units may be adversely affected.*

*- **Index disruption risk**: If an event adversely affects the Benchmark Index, the MASTER FUND manager may be required, as provided for by law, to suspend the subscription and redemption of the MASTER FUND's units. The calculation of the MASTER FUND's net asset value could also be adversely affected. If the disruption of the Index persists, the MASTER FUND manager will determine an appropriate course of action, which could decrease the MASTER FUND's net asset value. A 'Index event' includes but is not limited to the following situations:*
i) the Index is deemed to be inaccurate or does not reflect actual market developments;
ii) the Index is permanently cancelled by the index provider;
iii) the index provider is unable to indicate the level or value of the Index;
iv) the index provider makes a material change in the Index calculation formula or method (other than a minor modification such as an adjustment to the Index's underlying components or their respective weightings) which the MASTER FUND cannot effectively replicate at a reasonable cost;
v) an 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 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 Index's performance.

*- **Operational Risk**: An operational failure within the management company or of one of its representatives may delay the subscription, conversion or redemption of units or otherwise disrupt service to investors.*

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

Characteristics

Characteristics of the Share classes available in the Sub-Fund

The Sub-Fund will issue the following Classes of Shares, subject to different terms and conditions described below:

- Class I1 – USD (ISIN code of the Share: LU1258451696);
- Class I2 – USD (ISIN code of the Share: LU1258451779);
- Class I3 – USD (ISIN code of the Share: LU1258451852);
- Class I4 – USD (ISIN code of the Share: LU1258451936);

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
class I1[1]	U.S.$	Capitalization	No
class I2[1]	U.S.$	Capitalization	No
class I3[1]	U.S.$	Distribution	No
class I4[1]	U.S.$	Distribution	No

[1] The Management Company may, for such class of Shares, employ techniques and instruments to protect the investors of the class against currency fluctuations between the Pricing Currency and the predominant currency of the assets of the relevant class within the relevant Sub-Fund.

Share class	Maximum Subscription Charges	Maximum Entry Fee	Maximum Redemption Charges	Maximum Exit Fee	Minimum Initial Investment	Minimum Additional Investment
Class I1	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (1) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed. .	Not applicable	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (2) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed.	Not applicable	Euro 50 000 000 or any equivalent	Euro 1 000 000
Class I2		Not applicable		Not applicable	TBC	
Class I3		Not applicable		Not applicable	TBC	
Class I4		Not applicable		Not applicable	TBC	

[1] When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

[2] When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

In accordance with the Law, the MASTER FUND will not charge subscription or redemption fees for the investment of the Sub-Fund into its units or the divestment thereof.

OPERATIONAL AND MANAGEMENT FEES

Fees charged at the level of the Sub-Fund	Base	Maximum charge
Operating and management fee (including Management Fee, Custodian Fee, Administrative, Registrar Agent Fee and also auditor, distribution and legal fees)	Net asset value	0.30% per annum

Fees charged at the level of the MASTER FUND	Base	Maximum charge
Operating and management fee (including management fee, custodian fee, administrative, registrar agent fee and also auditor, distribution and legal fees)	Net asset value	0.30% per annum The percentage of the maximum operating and management fees charged by the MASTER FUND to the Sub-Fund will be decreased by the percentage of rebate received in respect with its investment in the MASTER FUND. As a consequence this maximum operating and management fees will be equal to 0.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

THE SHARES (ISSUE AND FORM)

The Shares may be issued in registered form.
The Shares will not be fractioned.

SUBSCRIPTION OF SHARES

Requests for subscription of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated

as of the relevant Valuation Day. Requests for subscriptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares subscribed must be received by the Custodian and Paying Agent not later than five Business Days after the relevant Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

REDEMPTION OF SHARES

Requests for redemption of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the relevant Valuation Day. Requests for redemptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.
Payment for Shares redeemed will be effected as soon as possible but not later than five Business Days after the relevant Dealing Day.

DEFINITIONS

"Business Day": any full working day in Luxembourg and in Paris when the banks are opened for business.
"Dealing Day": any week day when the Index is published and investable.
"Valuation Day": each Dealing Day, taking into account the closing price of the Index on such Dealing Day.
"Subscription Deadline" and "Redemption Deadline": any Dealing Day at 12 a.m. Luxembourg time at the latest.

CONVERSION OF SHARES ON THE PRIMARY MARKET

Conversions of Shares in this particular Sub-Fund are not possible.

SUBSCRIPTIONS IN KIND

The Sub-Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Sub-Fund’s Auditor (*réviseur d’entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Sub-Fund or its duly appointed delegate.

REDEMPTION IN KIND

Upon Shareholder request, the Sub-Fund shall have the right, if the board of directors so determines, to satisfy payment of the redemption price, in Kind by allocating to the shareholder units of the MASTER FUND held’s in the portfolio set up in connection with such class or classes of shares of the Sub-Fund and equal in value as of the Valuation Day, on which the redemption price is calculated, to the value of the shares of the Sub-Fund to be redeemed. The costs of any such transfers, if any, shall be borne by the requesting Shareholder. All redeemed shares shall be cancelled.

Base Currency of the Sub-Fund

USD

Distribution of income

No distribution will be carried out in respect of Class I1 and I2.

The Company reserves the right to distribute once or several times a year all or part of the Sub-Fund's income, in respect of Class I3 and I4.

For the other Classes of Shares (if any), please refer to the “Dividend Policy” section of the Prospectus.

Disclaimer

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6. Lyxor Selection Fund – Lyxor MSCI World

Investment Objective

The Sub-Fund is a feeder fund. As such, the Sub-Fund continually invests 85% or more of its assets in shares of the LYXOR UCITS ETF MSCI WORLD subject to French law (hereinafter the "**MASTER FUND**"). The unit class of the MASTER FUND invested by the Sub-Fund is the "D-USD" share class with the ISIN code FR0010372201.

The Sub-Fund's investment objective is to invest close to 100% of its net assets in units of the MASTER FUND. On an ancillary basis, the Sub-Fund may also hold liquid assets and/or invest in financial contracts for hedging purposes.

The Sub-Fund's performance may differ from the performance of the MASTER FUND because of (i) the costs incurred by the Sub-Fund, (ii) any rebate received (in respect of its investments in the MASTER FUND) and/or (iii) as a result of the liquid assets held by the Sub-Fund.

Given that the Sub-Fund's investment objective involves investing in units of the MASTER FUND, the appropriate index for the Sub-Fund is, by transparency, the index of the MASTER FUND.

INFORMATION RELATING TO THE MASTER FUND:

GENERAL INFORMATION ON THE MASTER FUND

The MASTER FUND is a French commun fund (fonds commun de placement) authorized as a UCITS in France in accordance with the provisions of the UCITS Directive. It is managed by the Lyxor International Asset Management S.A.S. which has appointed Société Générale, 29 Bd Haussmann, 75009 Paris, France as the custodian of the MASTER FUND.

The MASTER FUND's prospectus, Key Investor Information Document, most recent annual reports and asset inventory statement are available upon request at the registered office of the Management Company and on the website www.lyxoretf.com.

THE MASTER FUND INVESTMENT OBJECTIVE

The MASTER FUND's is to replicate the performance of the MSCI WORLD NET TOTAL RETURN index (see the "Index" section below), whether positive or negative, while minimizing the tracking error between the MASTER FUND's performance and the performance of the MSCI WORLD NET TOTAL RETURN index.

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

THE MASTER FUND INDEX

The index is the MSCI WORLD NET TOTAL RETURN index, with net dividends reinvested and denominated in US dollars (USD), hereinafter the "Index").

The 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 March 2006, the MSCI World index was comprised of 1,798 equities listed on the stock-exchanges of 23 developed countries: Germany, Australia, Austria, Belgium, Canada, Denmark, Spain, United States, Finland, France, Greece, Hong Kong, Ireland, Italy, Japan, Norway, New Zealand, Netherlands, Portugal, United Kingdom, Singapore, Sweden and Switzerland, The Index is built from a composite of the MSCI indices representing each of these 23 developed countries.

The weighting of each stock in the Index is adjusted in line with its free-floating market capitalisation. As a result the number of the stocks in the Index can change over time. The MSCI methodology and calculation method are based on a variable number of companies in the Index. A full description and the complete methodology used to construct the Index and information on the composition and respective weightings of the Index components are available on the Internet at http://www.hsi.com.hk/:www.msci.com.

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

The Index is weighted by market capitalization.

MASTER FUND INDEX COMPOSITION AND REBALANCING

The Index is rebalanced quarterly. The exact composition of the Index and MSCIs rules for rebalancing the index are available on the Internet at www.msci.com.
The frequency with which the Index is rebalanced does not affect the cost of implementing the Investment Strategy.

MASTER FUND 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 Index is also calculated in real time every stock exchange trading day. Real-time Index values are available via Bloomberg and Reuters.
On Reuters:.dMIWO00000NUS
On Bloomberg:NDDUWI

The closing price of the Index is available on MSCI's website atwww.msci.com.

Investment Policy

1. Strategy used by the Sub-Fund:

As the Sub-Fund is a feeder fund of the MASTER FUND, it is legally required to invest a minimum of 85% of its assets in the units of the MASTER FUND, knowing that its objective is to invest close to 100% of its net assets in units of the MASTER FUND. On an ancillary basis, the Sub-Fund may also invest in financial contracts for hedging purposes and/or hold liquid assets.

A summary of the investment strategy of the MASTER FUND is mentioned in paragraph 2 below.

2. Reminder of the investment strategy of the MASTER FUND:

a) Strategy employed by the MASTER FUND:

The MASTER FUND will comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009. To achieve the highest possible correlation with the performance of the Index, the MASTER FUND will be exposed to the Index via an indirect replication method which involves (i) the purchase of a basket of balance sheet assets (as defined below) and international equities in particular, and (ii) the use of an OTC swap contract that enables the MASTER FUND to achieve its investment objective by converting the exposure of its balance sheet assets into exposure to the Index.

The MASTER FUND's equity assets will be mainly the equities that make up the Index, as well as other international equities from all economic sectors, listed on all markets including small cap markets.

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 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.

The basket of equities held may be adjusted daily such that its value will generally be at least 100% of the MASTER 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 neutralize the counterparty risk arising from the swap.

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

Information on the updated composition of the basket of 'balance sheet' assets in the MASTER FUND's portfolio and the value of the swap contract concluded by the MASTER FUND is available on the page dedicated to the MASTER 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 this website.

Up to 20% of the MASTER 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 Index, particularly in the event of a public offering that substantially affects an Index security or in the event of a significant drop in the liquidity of one or more of the Index's financial instruments.

The MASTER FUND will not invest in the shares or units of alternative investment funds.

The MASTER FUND will use OTC index-linked swaps that swap the value of the MASTER FUND's equity assets (or the value of any other asset the MASTER FUND may hold) for the value of the Index.

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 financial derivative instruments. Accordingly, these financial derivative 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 financial derivative instruments referred to above (the "**Counterparty**") will have no discretionary power over the composition of the MASTER FUND's portfolio or over the underlying assets of the financial derivative instruments.*

3. Typical Investor's Profile

The Sub-Fund's is available to Institutional investors only. Investors subscribing to this Sub-Fund are seeking exposure to the global equities 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.

4. Risk Management

The global exposure of this Sub-Fund (as well as the MASTER FUND) is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Principal Risks

Investors' money will be invested mainly in units of the MASTER FUND.

The Sub-Fund's risk profile is comparable to that of the MASTER FUND (highlighted below in italics), with the exception of the liquidity risk of the MASTER FUND, which are not relevant for the Sub-Fund. In addition, if the Sub-Fund invests in financial contracts for hedging purposes on an ancillary basis, investors in the Sub-Fund will be exposed to the following risks:

- Risk of using financial derivative instruments

For hedging purposes, the Sub-Fund may enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, allowing it to adjust its level of exposure to the units of the MASTER FUND. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the Sub-Fund's net asset value.

- *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 financial derivative instruments (FDI) 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.

If counterparty defaults on an obligation, the FDI contract may be terminated before maturity. The Sub-Fund will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.
If this counterparty risk materializes, it could have an impact on the Sub-Fund's net asset value.

Reminder of the risk profile of the MASTER FUND:

- ***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 Index posts a negative return over the investment period.*

- ***Liquidity risk (primary market):*** *The MASTER FUND's liquidity and/or value may be adversely affected if, when the MASTER FUND or a counterparty to a financial derivative instrument (FDI) 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 Index may also adversely affect the subscription, conversion or redemption of the units.*

- ***Liquidity risk (secondary market):*** *The price of the MASTER FUND's listed units may deviate from the MASTER FUND's indicative net asset value. The liquidity of the 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 Index is suspended or stopped;
ii) trading in the market(s) in the Index's underlying assets is suspended;
iii) an exchange cannot obtain or calculate the 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 MASTER FUND is exposed to the risk that a counterparty with which the MASTER FUND has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The MASTER FUND is mainly exposed to counterparty risk resulting from the use of financial derivative instruments (FDI) 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 MASTER FUND's total assets per counterparty. If a counterparty defaults on an obligation the FDI contract may be terminated before maturity. The MASTER FUND will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.

If this counterparty risk materializes it could have an impact on the MASTER FUND's ability to achieve its investment objective of replicating the Index. When Société Générale is the FDI counterparty, conflicts of interest may arise between it and the MASTER FUND's management company, which has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

- ***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 Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:*

*-**Risk of using financial derivative instruments:** In order to achieve its investment objective, the MASTER FUND can enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, in order to secure the performance of the Index. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the MASTER 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 MASTER FUND is domiciled, authorized for sale or listed could adversely affect the taxation of investors. In such an event, the MASTER 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 MASTER FUND's underlying assets:** A change in the taxation of the MASTER FUND's underlying assets could adversely affect the taxation of the MASTER FUND. In such an event a discrepancy between the estimated taxation and the actual taxation of the MASTER FUND and/or of the MASTER FUND's FDI counterparty may adversely affect the MASTER FUND's net asset value.*

*- **Regulatory risk affecting the MASTER FUND:** In the event of a change in the regulatory regime in a jurisdiction where the MASTER FUND is domiciled, authorized for sale or listed, the subscription, conversion or redemption of units may be adversely affected.*

*-**Regulatory risk affecting the MASTER FUND's underlying assets**: In the event of a change in the regulations that govern the MASTER FUND's underlying assets, the MASTER FUND's net asset value and the subscription, conversion or redemption of units may be adversely affected.*

*- **Index disruption risk**: If an event adversely affects the Benchmark Index, the MASTER FUND manager may be required, as provided for by law, to suspend the subscription and redemption of the MASTER FUND's units. The calculation of the MASTER FUND's net asset value could also be adversely affected. If the disruption of the Index persists, the MASTER FUND manager will determine an appropriate course of action, which could decrease the MASTER FUND's net asset value. A 'Index event' includes but is not limited to the following situations:*
i) the Index is deemed to be inaccurate or does not reflect actual market developments;
ii) the Index is permanently cancelled by the index provider;
iii) the index provider is unable to indicate the level or value of the Index;
iv) the index provider makes a material change in the Index calculation formula or method (other than a minor modification such as an adjustment to the Index's underlying components or their respective weightings) which the MASTER FUND cannot effectively replicate at a reasonable cost;
v) an 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 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 Index's performance.

*- **Operational Risk**: An operational failure within the management company or of one of its representatives may delay the subscription, conversion or redemption of units or otherwise disrupt service to investors.*

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

- Currency risk associated with the Index:
The MASTER FUND is exposed to currency risk, as the underlying securities composing the Index may be denominated in a currency different from the Index, or be derived from securities denominated in a currency different to that of the Index. Exchange rate fluctuations can therefore have a negative impact on the Index tracked by the MASTER FUND.

Characteristics

Characteristics of the Share classes available in the Sub-Fund

The Sub-Fund will issue the following Classes of Shares, subject to different terms and conditions described below:

- Class I1 – USD (ISIN code of the Share: LU1258452074);
- Class I2 – USD (ISIN code of the Share: LU1258452157);
- Class I3 – USD (ISIN code of the Share: LU1258452231);
- Class I4 – USD (ISIN code of the Share: LU1258452314);

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
class I1[1]	U.S.$	Capitalization	No
class I2[1]	U.S.$	Capitalization	No
class I3[1]	U.S.$	Distribution	No
class I4[1]	U.S.$	Distribution	No

[1] The Management Company may, for such class of Shares, employ techniques and instruments to protect the investors of the class against currency fluctuations between the Pricing Currency and the predominant currency of the assets of the relevant class within the relevant Sub-Fund.

Share class	Maximum Subscription Charges	Maximum Entry Fee	Maximum Redemption Charges	Maximum Exit Fee	Minimum Initial Investment	Minimum Additional Investment
Class I1	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (1) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed. .	Not applicable	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (2) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed.	Not applicable	Euro 50 000 000 or any equivalent	Euro 1 000 000
Class I2		Not applicable		Not applicable	TBC	
Class I3		Not applicable		Not applicable	TBC	
Class I4		Not applicable		Not applicable	TBC	

1 When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

2 When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

In accordance with the Law, the MASTER FUND will not charge subscription or redemption fees for the investment of the Sub-Fund into its units or the divestment thereof.

OPERATIONAL AND MANAGEMENT FEES

Fees charged at the level of the Sub-Fund	Base	Maximum charge
Operating and management fee (including Management Fee, Custodian Fee, Administrative, Registrar Agent Fee and also auditor, distribution and legal fees)	Net asset value	0.45% per annum

Fees charged at the level of the MASTER FUND	*Base*	*Maximum charge*
Operating and management fee (including management fee, custodian fee, administrative, registrar agent fee and also auditor, distribution and legal fees)	Net asset value	0.45% per annum The percentage of the maximum operating and management fees charged by the MASTER FUND to the Sub-Fund will be decreased by the percentage of rebate received in respect with its investment in the MASTER FUND. As a consequence this maximum operating and management fees will be equal to 0.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

THE SHARES (ISSUE AND FORM)

The Shares may be issued in registered form.
The Shares will not be fractioned.

SUBSCRIPTION OF SHARES

Requests for subscription of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated

as of the relevant Valuation Day. Requests for subscriptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares subscribed must be received by the Custodian and Paying Agent not later than five Business Days after the relevant Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

REDEMPTION OF SHARES

Requests for redemption of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the relevant Valuation Day. Requests for redemptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares redeemed will be effected as soon as possible but not later than five Business Days after the relevant Dealing Day.

DEFINITIONS

"Business Day": any full working day in Luxembourg and in Paris when the banks are opened for business.
"Dealing Day": any week day when the Index is published and investable.
"Valuation Day": each Dealing Day, taking into account the closing price of the Index on such Dealing Day.
"Subscription Deadline" and "Redemption Deadline": any Dealing Day at 12 a.m. Luxembourg time at the latest.

CONVERSION OF SHARES ON THE PRIMARY MARKET

Conversions of Shares in this particular Sub-Fund are not possible.

SUBSCRIPTIONS IN KIND

The Sub-Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Sub-Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Sub-Fund or its duly appointed delegate.

REDEMPTION IN KIND

Upon Shareholder request, the Sub-Fund shall have the right, if the board of directors so determines, to satisfy payment of the redemption price, in Kind by allocating to the shareholder units of the MASTER FUND held's in the portfolio set up in connection with such class or classes of shares of the Sub-Fund and equal in value as of the Valuation Day, on which the redemption price is calculated, to the value of the shares of the Sub-Fund to be redeemed. The costs of any such transfers, if any, shall be borne by the requesting Shareholder. All redeemed shares shall be cancelled.

Base Currency of the Sub-Fund

USD

Distribution of income

No distribution will be carried out in respect of Class I1 and I2.

The Company reserves the right to distribute once or several times a year all or part of the Sub-Fund's income, in respect of Class I3 and I4.

For the other Classes of Shares (if any), please refer to the "Dividend Policy" section of the Prospectus.

Disclaimer

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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 UNITHOLDERS 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.

7. Lyxor Selection Fund – Lyxor S&P 500

Investment Objective

The Sub-Fund is a feeder fund. As such, the Sub-Fund continually invests 85% or more of its assets in shares of the MULTI UNITS LUXEMBOURG – LYXOR S&P 500 UCITS ETF, a sub-fund of the MULTI UNITS LUXEMBOURG SICAV (the "**Company**") subject to Luxembourg law (hereinafter the "**MASTER FUND**"). The share class of the MASTER FUND invested by the Sub-Fund is the "D-USD" share class with the ISIN code LU0496786657.

The Sub-Fund's investment objective is to invest close to 100% of its net assets in the D-USD share class of the MASTER FUND. On an ancillary basis, the Sub-Fund may also hold liquid assets and/or invest in financial contracts for hedging purposes.

The Sub-Fund's performance may differ from the performance of the MASTER FUND because of (i) the costs incurred by the Sub-Fund, (ii) any rebate received (in respect of its investments in the MASTER FUND) and/or (iii) as a result of the liquid assets held by the Sub-Fund.

Given that the Sub-Fund's investment objective involves investing in units of the MASTER FUND, the appropriate index for the Sub-Fund is, by transparency, the index of the MASTER FUND.

INFORMATION RELATING TO THE MASTER FUND:

GENERAL INFORMATION ON THE MASTER FUND

The MASTER FUND is a sub-fund of the MULTI UNITS LUXEMBOURG SICAV, a Luxembourg investment company of the umbrella type authorized as a UCITS in accordance with the provisions of the UCITS Directive. It is managed by the Lyxor International Asset Management S.A.S. and has appointed the Custodian as its own custodian.

The MASTER FUND's prospectus, Key Investor Information Document, most recent annual reports and asset inventory statement are available upon request at the registered office of the Management Company and on the website www.lyxoretf.com.

THE MASTER FUND INVESTMENT OBJECTIVE

The MASTER FUND's is to replicate the evolution of the S&P 500® Total Return (the "Index") denominated in United States dollars (USD).

The anticipated level of the tracking error under normal market conditions is expected to be 0.03 %.

THE MASTER FUND INDEX

The S&P 500 Total Return is a free-float capitalization-weighted index, published since 1957, of the prices of 500 large-cap common stocks actively traded in the United States. The stocks included in the S&P 500 Total Return are those of large publicly held companies that trade on either of the two largest American stock market companies (the NYSE Euronext and the NASDAQ OMX).

The S&P Index Committee follows a set of published guidelines for maintaining the index. Complete details of these guidelines, including the criteria for index additions and removals, policy statements, and research papers are available on the Web site at www.indices.standardandpoors.com.

MASTER FUND INDEX COMPOSITION AND REBALANCING

Criteria for Index additions:

• Financial Viability. Companies should have four consecutive quarters of positive as-reported earnings, whereas-reported earnings are defined as GAAP Net Income excluding discontinued operations and extraordinary items.

• Adequate Liquidity and Reasonable Price.

• Sector Representation: companies' industry classifications contribute to the maintenance of a sector balance that is in line with the sector composition of the universe of eligible companies with market cap in excess of US$ 3.5 billion.
• Company Type: constituents must be operating companies. Closed-end funds, holding companies, partnerships, investment vehicles and royalty trusts are not eligible. The Index Committee strives to minimize unnecessary turnover in index membership and each removal is determined on a case-by-case basis.

Criteria for Index removals:

• Companies that substantially violate one or more of the criteria for index inclusion.
• Companies involved in merger, acquisition, or significant restructuring such that they no longer meet the criteria for index inclusion.

The composition of the Index is reviewed and rebalanced on quarterly basis, or, in limited circumstances as further described in the Index methodology, at an earlier date as decided by the Index sponsor.

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

Investment Policy

1. Strategy used by the Sub-Fund:

As the Sub-Fund is a feeder fund of the MASTER FUND, it is legally required to invest a minimum of 85% of its assets in the units of the MASTER FUND, knowing that its objective is to invest close to 100% of its net assets in units of the MASTER FUND. On an ancillary basis, the Sub-Fund may also invest in financial contracts for hedging purposes and/or hold liquid assets.

A summary of the investment strategy of the MASTER FUND is mentioned in paragraph 2 below.

2. Reminder of the investment strategy of the MASTER FUND:

a) Strategy employed by the MASTER FUND:

The MASTER FUND will carry out its investment objective via an Indirect Replication.

The MASTER FUND seeks to achieve its objective by (i) investing at least 75% of its assets in a diversified portfolio of equities issued by an issuer incorporated either in European Union member state or in a member state of the European Economic Area, the remaining part of the assets being invested into transferable securities and notably into international equities and (ii) entering into a total return swap agreement (the "Swap") to track both the upward and the downward evolution of the Index.

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 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 the 2010 Law)
- Geography;
- Sector.

The basket of transferable securities held may be adjusted daily such that its value will generally be at least 100% of the MASTER FUND 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 neutralize the counterparty risk arising from the swap.

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

The limits laid down in the chapter "Investment Objectives/ Investment Powers and Restrictions" of the MASTER FUND's prospectus are raised to a maximum of 20% for investments in shares and/or bonds issued by the same issuer. This 20% cap may be raised to 35% for a single issuer when justified by exceptional market conditions, for example when some securities are predominant and/or in the event of strong volatility on a financial instrument or securities linked to an economic sector represented in the Index, for example in the event of a takeover bid affecting one of the securities in the Index or in the event of a significant restriction on liquidity affecting one or more financial instruments in the Index.

The MASTER FUND will not invest in the shares or units of alternative investment funds.

The counterparty to the Swap is a first class financial institution that specialises in that type of transaction. Such counterparty will not assume any discretion over the composition of the MASTER FUND portfolio or over the underlying of the financial derivatives instruments.
The using of the Swap will not involve leverage.

Additional information on the indicative net asset value of an exchange-traded share may, subject to the conditions and limits of the considered market operator, be provided on the website of the regulated market that lists the share. This information is also on Reuters or Bloomberg page dedicated to the share considered. Additional information on the Bloomberg and Reuters codes corresponding to the indicative net asset value of any UCITS ETF share class is also available under the "factsheet" section of the website ww.lyxoretf.com.

3. Typical Investor’s Profile

The Sub-Fund is dedicated to institutional investors wishing to have an exposure to the prices of 500 large-cap common stocks actively traded in the United States.

4. Risk Management

The global exposure of this Sub-Fund (as well as the MASTER FUND) is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Principal Risks

Investors' money will be invested mainly in units of the MASTER FUND.

The Sub-Fund's risk profile is comparable to that of the MASTER FUND (highlighted below in italics), with the exception of the liquidity risk of the MASTER FUND, which are not relevant for the Sub-Fund. In addition, if the Sub-Fund invests in financial contracts for hedging purposes on an ancillary basis, investors in the Sub-Fund will be exposed to the following risks:

- Risk of using financial derivative instruments

For hedging purposes, the Sub-Fund may enter into transactions involving over-the-counter financial derivative instruments (FDI), such as swaps, allowing it to adjust its level of exposure to the units of the MASTER FUND. These FDI 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 an FDI and may require an adjustment of the FDI transaction or even its premature termination, which could adversely affect the Sub-Fund's net asset value.

- *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 financial derivative instruments (FDI) 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.

If counterparty defaults on an obligation, the FDI contract may be terminated before maturity. The Sub-Fund will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.
If this counterparty risk materializes, it could have an impact on the Sub-Fund's net asset value.

<u>Reminder of the risk profile of the MASTER FUND:</u>

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

Currency Risk related to Classes denominated in a currency other than the reference currency of the Index

Share Classes denominated in a currency other than the reference currency of the Index are exposed to a currency risk. As a result, due to exchange rate fluctuations, the net asset value of such Classes could decrease while the Index value increases.

***- Capital risk**: The initial capital invested is not guaranteed. As a consequence, investor's capital is at risk and the amount originally invested may not be wholly or partially recovered, notably if the benchmark index is subject to a negative performance over the investment period.*

*- **Liquidity risk (primary market):** The MASTER FUND's liquidity and/or value may be negatively affected if, when the MASTER FUND (or its financial derivatives instrument counterparty) is rebalancing its exposure, the trading markets of such exposure are limited, closed, or subject to wide bid-offer spreads. An inability to execute trades in line with the Index due to low trading volumes may also affect the process of subscriptions, conversions and redemptions of Shares.*

*- **Liquidity risk (secondary market):** Investors should consult section V. "Secondary Market for UCITS ETF" of the main part of the Prospectus of the Company.*

*- **Counterparty risk**: The MASTER FUND is exposed to the risk of bankruptcy, settlement default or any other type of default of the counterparty related to any trading transaction or agreement entered into by the MASTER FUND. The MASTER FUND is predominantly exposed to a counterparty risk resulting from the use of the Swap. In-line with UCITS guidelines, the counterparty risk to the Swap counterparty, cannot exceed 10% of the MASTER FUND's total assets, provided such counterparty is a credit institution within the meaning of 1f of the investment restrictions.*

In case of default of the counterparty, the Swap can be early terminated. The MASTER FUND will then endeavour its best efforts to reach its investment objective by entering into, if necessary, another swap with a third counterparty, in the market conditions which will prevail during the occurrence of such event.

The realisation of this risk can in particular have impacts on the capacity of the MASTER FUND to reach its investment objective meaning the replication of the Index.

There is no guarantee that the MASTER FUND's Investment Objective will be achieved. Indeed, no asset or financial instrument will allow automatic and continuous replication of the Index, especially if one or more of the following risks occur:

*-**Risk of using financial derivative instruments:** In order to reach its investment objective, the MASTER FUND enters*

into over-the-counter financial derivative instruments ("FDI") which provide the performance of the Index, and may imply a range of risks including counterparty risk, hedging disruption, index disruption, taxation risk, regulatory risk, operational risk, and liquidity risk. These risks can materially affect a FDI and could lead to an adjustment or even the early termination of the FDI transaction.

-Risk due to a change in the tax regime: *Any change in the taxation legislation in any jurisdiction where the MASTER FUND is registered for sale or cross-listed, could affect the tax treatment of the Shareholders of the MASTER FUND. In the case of such an event, the MASTER FUND's Manager shall not be liable to any investor for any payment required to be made by the Company or the corresponding MASTER FUND to a fiscal authority.*

-Risk of a change in the taxation of the MASTER FUND's underlying assets: *Any change in the taxation legislation in any jurisdiction of the underlying of the MASTER FUND could affect the tax treatment of the MASTER FUND. As a result, in case of a discrepancy between the estimated and effective tax treatment applied to the MASTER FUND and/or to the MASTER FUND's counterparty to the FDI, the net asset value of the MASTER FUND may be affected.*

- Regulatory risk affecting the MASTER FUND: *In the event of a change in the regulatory regime in any jurisdiction where the MASTER FUND is registered for sale or cross-listed, the process of subscriptions, conversions and redemptions of Shares may be affected.*

-Regulatory risk affecting the MASTER FUND's underlying assets*: In the event of a change in the regulatory regime in any jurisdiction of the underlyings of the MASTER FUND, the net asset value of the MASTER FUND as well as the process of subscriptions, conversions and redemptions of Shares may be affected.*

- Index disruption risk*: In the event of an Index disruption, the Company acting in accordance with applicable laws and regulations may have to suspend the calculation of the net asset value of the MASTER FUND.*

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

The index disruption notably covers situations where:

i) the Index is deemed to be inaccurate or does not reflect actual market developments,
ii) the Index is permanently cancelled by the Index provider;
iii) the Index provider fails to calculate and announce the index level;
iv) the index provider makes a material change in the formula for or method of calculating the Index (other than a modification prescribed in that formula or method to maintain the calculation of the index level in the event of changes in the constituent components and weightings and other routine events) which cannot be efficiently replicated with reasonable costs by the MASTER FUND.
v) one or several constituents of the Index become illiquid, (i) their quotation being suspended on a regulated stock exchange, or (ii) becoming illiquid constituents for the securities negotiated over the counter (such as, for example, the bonds).
vi) the constituents of the Index are impacted by transaction costs in relation to the execution, the settlement, or specific tax constraints, except if those costs or tax constraints are reflected in the performance of the Index.

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

- Corporate action risk: *An unforeseen review of the corporate action policy affecting a component of the Index, after an official announcement was made and priced into the MASTER FUND or into the financial derivatives entered into by the MASTER FUND, could lead to a discrepancy between the realised corporate action and the Index treatment.*

Characteristics

Characteristics of the Share classes available in the Sub-Fund

The Sub-Fund will issue the following Classes of Shares, subject to different terms and conditions described below:

- Class I1 – USD (ISIN code of the Share: LU1258452405);
- Class I2 – USD (ISIN code of the Share: LU1258452587);
- Class I3 – USD (ISIN code of the Share: LU1258452660);
- Class I4 – USD (ISIN code of the Share: LU1258452744);

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
class I1[1]	U.S.$	Capitalization	No
class I2[1]	U.S.$	Capitalization	No
class I3[1]	U.S.$	Distribution	No
class I4[1]	U.S.$	Distribution	No

[1] The Management Company may, for such class of Shares, employ techniques and instruments to protect the investors of the class against currency fluctuations between the Pricing Currency and the predominant currency of the assets of the relevant class within the relevant Sub-Fund.

Share class	Maximum Subscription Charges	Maximum Entry Fee	Maximum Redemption Charges	Maximum Exit Fee	Minimum Initial Investment	Minimum Additional Investment
Class I1	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (1) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed. .	Not applicable	The higher of either (i) EUR 50,000 (or the equivalent of 50 000 EUR in the Class of Shares currency) (2) or (ii) 5% of the Net Asset Value per Share multiplied by the number of shares subscribed.	Not applicable	Euro 50 000 000 or any equivalent	Euro 1 000 000
Class I2		Not applicable		Not applicable	TBC	
Class I3		Not applicable		Not applicable	TBC	
Class I4		Not applicable		Not applicable	TBC	

1 When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

2 When the Share currency is denominated in another currency other than the EUR, being specified that the final amount will be determined by converting the subscription amount in EUR into such Class of Shares currency (rounded down to the nearest 2 decimal places) by using the WM / Reuters exchange rate for converting EUR into such currency as of the Payment Date) per subscription request.

In accordance with the Law, the MASTER FUND will not charge subscription or redemption fees for the investment of the Sub-Fund into its units or the divestment thereof.

OPERATIONAL AND MANAGEMENT FEES

Fees charged at the level of the Sub-Fund	Base	Maximum charge
Operating and management fee (including Management Fee, Custodian Fee, Administrative, Registrar Agent Fee and also auditor, distribution and legal fees)	Net asset value	0.15% per annum

Fees charged to the MASTER FUND	Base	Maximum charge
Operating and management fee (including management fee, custodian fee, administrative, registrar agent fee and also auditor, distribution and legal fees)	Net asset value	0.15% per annum The percentage of the maximum operating and management fees charged by the MASTER FUND to the Sub-Fund will be decreased by the percentage of rebate received in respect with its investment in the MASTER FUND. As a consequence this maximum operating and management fees will be equal to 0.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

THE SHARES (ISSUE AND FORM)

The Shares may be issued in registered form.
The Shares will not be fractioned.

SUBSCRIPTION OF SHARES

Requests for subscription of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the relevant Valuation Day. Requests for subscriptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares subscribed must be received by the Custodian and Paying Agent not later than five Business Days after the relevant Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

REDEMPTION OF SHARES

Requests for redemption of Shares shall be centralised by the Registrar and Transfer Agent, between 10 a.m. and 12 a.m. (Luxembourg time), on each Dealing Day (as defined hereunder) and processed at the net asset value calculated as of the relevant Valuation Day. Requests for redemptions forwarded after 12 a.m. (Luxembourg time) on a Dealing Day shall be deemed to have been received between 10 a.m. and 12 a.m. on the following Dealing Day.

Payment for Shares redeemed will be effected as soon as possible but not later than five Business Days after the relevant Dealing Day.

DEFINITIONS

"Business Day": any full working day in Luxembourg and in Paris when the banks are opened for business.
"Dealing Day": any week day when the Index is published and investable.
"Valuation Day": each Dealing Day, taking into account the closing price of the Index on such Dealing Day.
"Subscription Deadline" and "Redemption Deadline": any Dealing Day at 12 a.m. Luxembourg time at the latest.

CONVERSION OF SHARES ON THE PRIMARY MARKET

Conversions of Shares in this particular Sub-Fund are not possible.

SUBSCRIPTIONS IN KIND

The Sub-Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and in particular in the form of share or units of the MASTER FUND and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Sub-Fund or its duly appointed delegate.

REDEMPTION IN KIND

Upon Shareholder request, the Sub-Fund shall have the right, if the board of directors so determines, to satisfy payment of the redemption price, in Kind by allocating to the shareholder units of the MASTER FUND held's in the portfolio set up in connection with such class or classes of shares of the Sub-Fund and equal in value as of the Valuation Day, on which the redemption price is calculated, to the value of the shares of the Sub-Fund to be redeemed. The costs of any such transfers, if any, shall be borne by the requesting Shareholder. All redeemed shares shall be cancelled.

Base Currency of the Sub-Fund

USD

Distribution of income

No distribution will be carried out in respect of Class I1 and I2.

The Company reserves the right to distribute once or several times a year all or part of the Sub-Fund's income, in respect of Class I3 and I4.

For the other Classes of Shares (if any), please refer to the "Dividend Policy" section of the Prospectus.

Disclaimer

LYXOR UCITS ETF S&P 500 UCITS ETF (the "MASTER Fund") is not sponsored, endorsed, sold or promoted by Standard & Poor's and its affiliates ("S&P"). S&P makes no representation, condition or warranty, express or implied, to the owners of the MASTER Fund or any member of the public regarding the advisability of investing in securities generally or in the MASTER Fund particularly or the ability of the S&P 500 Total Return Index to track the performance of certain financial markets and/or sections thereof and/or of groups of assets or asset classes. S&P's only relationship to Lyxor International Asset Management is the licensing of certain trademarks and trade names and of the S&P 500 Index which is determined, composed and calculated by S&P without regard to Lyxor International Asset Management or the MASTER Fund. S&P has no obligation to take the needs of Lyxor International Asset Management or the owners of the MASTER Fund into consideration in determining, composing or calculating the S&P 500 Total Return Index. S&P is not responsible for and has not participated in the determination of the prices and amount of the Master Fund or the timing of the issuance or sale of the MASTER Fund or in the determination or calculation of the equation by which the MASTER Fund shares are to be converted into cash. S&P has no obligation or liability in connection with the administration, marketing, or trading of the MASTER Fund.
S&P does not guarantee the accuracy and/or the completeness of the S&P 500 Total Return Index or any data included therein and S&P shall have no liability for any errors, omissions, or interruptions therein. S&P makes no warranty, condition

or representation, express or implied, as to results to be obtained by Lyxor International Asset Management, owners of the MASTER Fund, or any other person or entity from the use of the S&P 500 Total Return Index or any data included therein. S&P makes no express or implied warranties, representations or conditions, and expressly disclaims all warranties or conditions of merchantability or fitness for a particular purpose or use and any other express or implied warranty or condition with respect to the S&P 500 Total Return Index or 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 500 Total Return Index or any data included therein, even if notified of the possibility of such damages

8. Lyxor Selection Fund – Lyxor Alpha Plus Fund

Investment Objective

The investment objective of the Sub-Fund is to provide a capital appreciation over a medium to long term. The Sub-Fund is diversified by strategy and geographic focus by investing in UCITS that pursue alternative investment strategies.

Investment Policy

Principal Investment Strategy

The Sub-Fund seeks to achieve its investment objective by investing mainly in UCITS pursuing alternative strategies within the UCITS universe.

The Management Company team has developed a management process focused on strategic allocation and selection of funds based on both a top down approach (diversification among strategies) and a bottom up approach (selection of underlying UCITS of the UCITS universe that pursue alternative strategies).

The Sub-Fund may also invest up to 30% of its net assets in shares or units of other UCIs pursuing alternative strategies in accordance with article 41 e) of the Law as more fully described under "Investment Restrictions" above.

The Sub-Fund may also invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to in 41 (2) of the Law.

The Sub-Fund may borrow funds in order to optimise its cash management policy within the conditions and limits described under "Investment Restrictions" above.

Typical Investor's Profile

The Sub-Fund is suitable for investors who are willing to gain exposure to alternative strategies. The investors must be able to accept moderate temporary losses, thus the Sub-Fund is appropriate for investors who can afford to set aside the invested capital for at least 2 years. The Sub-Fund is designed for the investment objective of building up capital over the medium term.

Use of Derivatives or Other Investment Techniques and Instruments

The Sub-Fund may use derivatives including swaps and forwards for hedging, efficient portfolio management, or other risk management purposes, as described under "Efficient Portfolio Management Techniques" above.
The Sub-Fund may further enter into swaps for investment purposes within the conditions and limits described under "Investment Restrictions" above.

Risk Management

The global exposure of this Sub-Fund is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

The Management Company will implement a risk management process in order to spot, assess, manage and follow up the risks related to the Sub-Fund's investments together with their effects on the risks profile of the Sub-Fund. The Management Company will monitor the consistency between the Sub-Fund's risks profile, the size and structure of the portfolio and the objective and strategy of the Sub-Fund, as stated in the Prospectus.

Defensive Strategies

Under certain exceptional market conditions, the Sub-Fund may invest a significant amount of its assets in cash and cash equivalents, including Money Market Instruments, if the Management Company believes that it would be in the best interest of the Sub-Fund and its Shareholders. When the Sub-Fund is pursuing a defensive strategy, it will not be pursuing its investment objective.

Principal Risks

The principal risks of investing in the Sub-Fund are linked to:

- Investment in units or shares of UCIs or UCITS
- Risk linked to investments in alternative investment strategies
- Use of Efficient Portfolio Management Techniques and Derivatives
- Counterparty risk
- Conflicts of interest
- Clearing and settlement
- Foreign exchange/Currency risk
- Changes in applicable laws
- Risk of Losses
- Volatility

Please refer to the relevant sections under "*Principal Risks*" above.

Specific Risk Factors to the Sub-Fund

Achievement of Sub-Fund's Investment Objective

No assurance can be given that the Sub-Fund will achieve its Investment Objective. There can be no assurance that the Management Company will be able to allocate the Sub-Fund's assets in a manner that is profitable to the Sub-Fund. The Sub-Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value.

Lack of Operating History

The Sub-Fund is newly formed and as such has no operating history. Past performance of the Management Company cannot be construed as an indication of the future results of an investment in the Sub-Fund.

Lack of Diversification

The Sub-Fund may implement an Investment Strategy that is concentrated in a limited number of UCI and/or strategies. In such cases, the Sub-Fund will be exposed to losses which could be disproportionate relative to market declines if, in general, there are disproportionately greater adverse price movements in such UCI and/or strategies. In addition, the Sub-Fund will be highly dependent with respect to its performance upon the expertise and abilities of a limited number of manager(s) and or trading advisors.

Accumulation fees and expenses

Whether or not the Sub-Fund is profitable and whether or not Shares of any given Class experience appreciation in value or not, the Sub-Fund is required to pay fees and expenses. These expenses and fees will affect the performance of Shares.

Moreover, the UCI, in which assets of the Sub-Fund may be invested, each pay to its relevant manager, sub-manager, trading advisor and other fund service providers (including the Management Company or one of its affiliates for investments of the Sub-Fund made in UCI established by the Management Company or one of its affiliates) certain fees, expenses and commissions in relation to their duties in relation to the UCI (including fees on the redemption and purchase of shares in the UCI) which fees, expenses and commissions are in addition to the fees and expenses payable by the Sub-Fund.

Conflicts of Interests

The Management Company may cause the Sub-Fund to invest in UCI affiliated with the Management Company and its affiliates or in UCI for which the Management Company or an affiliate acts as sponsor, investment advisor or provide other services or which may pay fees to the Management Company or an affiliate. The Sub-Fund may also use affiliates of the Management Company as broker for transactions on behalf of the Sub-Fund or other UCI in which it invests. Although the Management Company have agreed to use their best efforts in managing the Sub-Fund, the Management Company, their principals and their affiliates are not required to devote full time or any material proportion of their time to the Sub-Fund. The Management Company and its affiliates may also provide services similar to those provided to the Sub-Fund to other UCI with similar objectives.

Where conflicts of interest cannot be avoided and there exists a risk of damage to Shareholders' interests, the Management Company shall inform investors of the general nature or causes of the conflicts of interest and develop appropriate policies and procedures in order to mitigate such conflicts while ensuring equal treatment between investors and ensuring that the Sub-Fund is treated in an equitable manner. Such information will be disclosed on the following website: client-services@lyxor.com. The Management Company may effect transactions in which the Management Company and/or companies of their groups have, directly or indirectly, an interest.

Shareholders should be aware that management of conflicts of interest can lead to a loss of investment opportunity or to the Management Company having to act differently than the way it would have acted in the absence of the conflict of interest. This may have a negative impact on the performance of the Fund and its Sub-Funds.

Inadvertent Concentration

It is possible that a number of UCI managers might take substantial positions in the same security at the same time. This inadvertent concentration would interfere with the Sub-Fund's goal of diversification. The Sub-Fund will attempt to alleviate such inadvertent concentration as part of its regular monitoring and reallocation process. Conversely, the Sub-Fund may at any given time, hold opposite exposures, such exposures being taken by different UCI managers. Each such exposure shall result in transaction fees for the Sub-Fund without necessarily resulting in either a loss or a gain. Finally, no guarantee can be given that choosing a certain number of UCI managers shall be more profitable than selecting a single UCI manager. Moreover, the Sub-Fund may proceed to a reallocation of assets between UCI managers and liquidate investments made by the intermediary of one or several of them. Finally, the Sub-Fund may also, at any time, select additional UCI managers. Such assets reallocations may impact negatively the performance of one or several of the UCI managers.

Investment in Emerging Markets

Depending upon the specific strategy employed by the relevant UCI's manager, the Sub-Fund may be exposed to emerging or developing markets. Investors are advised to consider carefully the special risks involved in developing markets, which are greater than the usual risks of investing in foreign securities.

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

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

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

Risks associated with a diversified portfolio of UCI

In order to diversify among trading methods and markets, the Sub-Fund will invest in a number of UCI, each of which invests independently of the others. Although this diversification is intended to offset losses, there can be no assurance that this strategy will not result overall in losses. In addition, some UCI may at times hold economically offsetting positions. Each such position could cause the Sub-Fund transactional expenses or fees while not generating as a whole any gain or loss. Finally, in accordance with the Investment Policy, the Sub-Fund may reallocate its assets among UCI at any time. Any such reallocation could ultimately prove to adversely affect the performance of the Sub-Fund or of any one UCI.

This Section should be considered carefully, and read in conjunction with the section "Principal Risks" of Part I "General Information relating to the Company" of this Prospectus, but is not meant to be an exhaustive listing of all potential risks associated with an investment in the Sub-Fund. When considering investing in the Sub-Fund, any potential investor should bear in mind that the NAV of the Sub-Fund may decline abruptly and should be prepared to sustain a total loss of their investment in the Sub-Fund.

Characteristics

Characteristics of the Share Classes available in the Sub-Fund

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
class I1	Euro	Distribution	No

Dividend Policy

The Company intends to declare a dividend out of the net income and net realised capital gains, if any, of the Sub-Fund attributable to Class I1, on or about the last day of January each year. Any such dividend will be paid to the Shareholders of record of the Sub-Fund within ten (10) Business Days. Each dividend declared by the Company on the outstanding Shares of the Sub-Fund will be paid in cash.

Upon the declaration of any dividends to the holders of Shares of the Sub-Fund, the Net Asset Value per Share of the relevant Class of the Sub-Fund will be reduced by the amount of such dividends. Payment of the dividends will be made to the address or account indicated on the register of Shareholders.

Share class	Maximum Sales Charge	Maximum Redemption Fee	Maximum Management Fee	Maximum Performance Fee	Minimum Initial Investment	Minimum Incremental Investment	Minimum Holding [1]
class I1	5%	3%	0.35%	5%	EUR 20,000,000	EUR 5,000,000	EUR 20,000,000

[1] Excluding impact of performance

Management Fee

The Management Fee is paid to the Management Company. It will be calculated and accrued weekly based on the weekly Net Asset Value of the Shares and will be paid monthly in arrears. The maximum flat management fees of other UCIs or UCITS in which the Sub-Fund may invest shall not exceed 2.00% (excluding, for the avoidance of doubt, any incentive or performance fees or other fees otherwise paid out of the assets of such other UCIs or UCITS).

Performance Fee

The Sub-Fund shall pay to the Management Company out of the assets of the relevant Class a Performance Fee calculated in accordance with the principles of the high water mark mechanism and equal to 5% multiplied by the relevant Class Net New Profits.

The Performance Fee is calculated and accrued on every Valuation Day for each Class of the Sub-Fund and payable in EUR at the end of each Class Performance Period.

In this section:

- "**Class Net New Profits**" means for any Class Performance Period, the cumulative net realised and unrealised appreciation of the Net Asset Value of the relevant Class over the hurdle rate (the "**Hurdle Rate**") as specified below, less any Management Fee and Performance Fee in respect of such Class payable to the Management Company, minus the applicable Class Loss Carryforward;
- "**Class Performance Period**" means each year period ending on the last Valuation Day of January except for the first Class Performance Period which shall start on the day where the first subscription occurs for that Class and end on the last Valuation Day of January 2017.
- "**Class Loss Carryforward**" means net realised and unrealised losses applied to the Net Asset Value of the relevant Class since the end of the last Class Performance Period for which a Performance Fee was payable in respect of that Class, and that have not been offset by the relevant Class Net New Profits in the current Class Performance Period.
- "**Hurdle Rate**" means 3 month Euribor

Investors should note that the Sub-Fund does not perform equalization or issue series units for the purposes of determining the Performance Fee. The use of equalization or issue of series units ensures that the Performance Fee payable by an investor is directly referable to the specific performance of such individual investor's shareholding in the relevant Class of the Sub-Fund. The current methodology for calculating the Performance Fee as set out above involves adjusting the Net Asset Value of the relevant Class of any provision for accrual for the Performance Fee on each Valuation Day during the Class Performance Period. Investors may therefore be advantaged or disadvantaged as a result of this method of calculation, depending upon the Net Asset Value of the relevant Class at the time an investor subscribes or redeems relative to the overall performance of the relevant Class of the Sub-Fund during the relevant Class Performance Period and the timing of subscriptions and redemptions to such Class during the course of such Class Performance Period.

In the event that a Shareholder redeems Shares on a date other than the last Valuation Day of January of a given year, any Performance Fee attributable to the Shares redeemed will be deducted from the redemption proceeds with respect to such Shares redeemed as if the date of Redemption were the last Valuation Day of January of such year.

Potential investors and Shareholders should fully understand the high water mark mechanism when considering an investment in Shares.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

Valuation Day (VD)	Application Day and Cut-Off Time		Subscription Settlement Date	Redemption Settlement Date
	Subscription, and Conversion within the Sub-Fund	Redemption		
Each Tuesday*	VD-5 Business Days before 4 p.m. Luxembourg time	VD-5 Business Days before 4 p.m. Luxembourg time	VD	VD+5 Business Days

* If such Tuesday is not a Business Day, the Valuation Day will be the following Business Day.

- "**Business Day**" means any day, other than a Saturday or Sunday, on which banks are open for full banking business in Luxembourg and Paris, and any other day as may be determined from time to time by the Management Company.
- "**Valuation Day**" means the Business Day on the basis of which the Net Asset Value per Share is calculated.

Notwithstanding the provision of the Section "*Subscription, Transfer, Conversion and Redemption of Shares*" of the Prospectus, if the aggregate value of the redemption and conversion requests received by the Registrar Agent for a given Valuation Day corresponds to more than 20% of the net assets of the Sub-Fund and under exceptional market conditions, the Fund may defer part or all of such redemption and conversion requests for such period as it considers to be in the best interest of the Sub-Fund and its Shareholders. Any deferred redemption and conversion shall be treated as a priority to any further redemption and conversion requests received on any following redemption date.

Only subscriptions in amount will be accepted.

Base Currency of the Sub-Fund

Euro

Launch date

The Sub-Fund has been launched on January 12, 2016

9. Lyxor Selection Fund – Bradesco International Diversification Fund - Conservative

Investment Objective

The investment objective of the Sub-Fund is to achieve capital growth over a long-term investment horizon.

The sub-fund will be primarily exposed to fixed income markets and money market investments, and to a lesser extent to more risky markets such as equity markets. The Sub-Fund will be actively managed and will achieve its exposure mainly through UCIs (the "**Underlying Funds**"), as opposed to investing directly in transferable securities and money market instruments. The Underlying Funds may include UCITS, other UCIs and exchange traded funds (ETFs) which allow for an access notably to fixed income, money market and equity markets.

Investment Manager

The Management Company has appointed Banco Bradesco Europa S.A., acting through its London Branch, as Investment Manager of the Sub-Fund (the "**Investment Manager**") in order to benefit from the knowledge and skills of the Investment Manager and to reach the Investment Objective. The Investment Manager employs a large research team to perform analysis on historical data related to financial markets in an attempt to identify profitable investment opportunities. The Investment Manager is authorised and regulated by both the CSSF and the FCA.

The Investment Manager is appointed pursuant to the Investment Management Delegation Agreement (the "**Agreement**"). Under this Agreement, the Investment Manager shall provide the Management Company with an allocation basket amongst eligible assets selected in compliance with the investment objective and policy described below. Pursuant to the terms of the Agreement, the Management Company shall provide the Investment Manager with access to its mutual funds selection team. The Management Company shall provide the Investment Manager with a primary list of eligible assets and mutual funds the Investment Manager may, at its own discretion, use to perform its duties.

Investment Policy

Principal Investment Strategy

The Sub-Fund seeks to achieve its investment objective by investing mainly in UCITS providing exposure to financial indices. The Sub-Fund may also invest in UCITS pursuing alternative strategies.

Cash equivalent investments will be deemed to be representative of the money market markets.

The Investment Strategy is implemented by the Investment Manager via the establishment of a model portfolio resulting from a fundamental investment process.

The fundamental investment process relies on a combination of a top down macroeconomic analysis (diversification among strategies) and bottom up perspectives (selection of underlying mutual funds) aiming to evaluate market drivers in term of interest rates, foreign exchange, inflation, GDP trends and corporate credit risk assessment.

The Sub-Fund may invest up to 30% of its net assets in shares or units of other UCIs in accordance with article 41 e) of the Law as more fully described under "Investment Restrictions" above.

The Sub-Fund may also invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to in 41 (2) of the Law.

The Sub-Fund may also invest, on an ancillary basis, in shares or units of UCITS and/or other UCIs providing exposure to the real estate market, commodities market and non-investment grade bonds.

The Sub-Fund may borrow funds in order to optimise its cash management within the conditions and limits described under "Investment Restrictions" above.

There can be no assurance that the Sub-Fund's investment objective will be achieved, and investment results may vary substantially over time.

The underlying UCITS and other assets in which the Sub-Fund will invest will be selected from time to time by the Investment Manager among an investment universe previously agreed with the Investment Manager and approved by the Management Company. The Management Company may, in certain circumstances as provided in the Investment Management Delegation Agreement, decide not to invest into any of the underlying UCITS funds and other assets determined by the Investment Manager, subject to having previously informed the Investment Manager.

Typical Investor's Profile

The Sub-Fund is suitable for investors who are willing to gain exposure to UCITS investing in financial indices and/or pursuing alternative strategies. Despite all measures taken by the Management Company and the Investment Manager to achieve the Sub-Fund's objective, no guarantee whatsoever may be offered to the investor in this regard. Share values of the Sub-Fund are subject to market fluctuation as with all investment funds. As a result, the Share values may go up or down. Investors' attention is drawn on the fact that there is no capital protection or guarantee so that, investors can lose their capital in part or in whole.

The Sub-Fund is appropriate for investors who can afford to set aside the invested capital for at least 5 years. The Sub-Fund is designed for the investment objective of building up capital over the long term.

Use of Derivatives or Other Investment Techniques and Instruments

The Sub-Fund may use over-the-counter derivatives for forex hedging purposes, as described under "*Special Investment and Hedging Techniques*" above.

Risk Management

The global exposure of this Sub-Fund is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Cash Management

Under certain exceptional market conditions, the Sub-Fund may invest a significant amount of its assets in cash and cash equivalents, including Money Market Instruments, if the Investment Manager believes that it would be in the best interest of the Sub-Fund and its Shareholders.

Securities Lending Transactions, Repurchase and Reverse Repurchase Transactions

The Sub-Fund may enter into securities lending or borrowing transactions or any collateral transactions if required to do so when using other OTC Derivatives as described above in which case the collateral transaction will be dealt with in accordance with applicable laws and regulations (including but not limited to CSSF Circular 08/356 and CSSF Circular 14/592) and as described under "*Special Investment and Hedging Techniques*" above. The collateral received by the Sub-Fund will be limited to cash in the reference currency of the Sub-Fund or securities that would be eligible to the Sub-Fund for direct investment, as described above. The Sub-Fund may also enter into securities lending and borrowing transactions.

Principal Risks

The principal risks of investing in the Sub-Fund are linked to:

- Use of Efficient Portfolio Management Techniques and Derivatives
- Absence or Lack of Diversification
- Small Market Capitalization Companies
- Mid-Sized Companies
- Large Capitalization Companies
- Increased Cost of Frequent Trading
- Conflicts of Interest
- Other Accounts of Investment Manager
- Capital Erosion Risk
- Foreign Exchange/Currency Risk
- Changes in Applicable Law
- Long Equity Exposure
- Counterparty risk
- Investment in units or shares of UCIs or UCITS
- General Economic and Market Conditions
- Fraud or Misrepresentation:
- Risk linked to investments in alternative investment strategies

Please refer to the relevant sections under "*Principal Risks*" above.

Specific Risk Factors to the Sub-Fund

This Section should be considered carefully, and read in conjunction with the section "Principal Risks" of Part I "General Information relating to the Company" of this Prospectus, but is not meant to be an exhaustive listing of all potential risks associated with an investment in the Sub-Fund. When considering investing in the Sub-Fund, any potential investor should bear in mind that the NAV of the Sub-Fund may decline abruptly and should be prepared to sustain a total loss of their investment in the Sub-Fund.

Risk that the Fund's investment objective is only partially achieved
No assurance can be given that the Sub-Fund will achieve its Investment Objective. There can be no assurance that the Investment Manager will be able to allocate the Sub-Fund's assets in a manner that is profitable to the Sub-Fund. In addition, there is no assurance that the investment and asset allocation strategy developed by the Investment Manager, and as presented in the Investment Objective and Investment Policy as set out herein can lead to a positive performance in the value of the Shares. The Sub-Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value.

Lack of Operating History
The Sub-Fund is only recently established and therefore has a limited history for the purposes of evaluating its performance. Any back-testing or similar analysis performed by any person in respect of the Sub-Fund must be considered illustrative only and may be based on estimates or assumptions.

Dependence on Investment Manager
The Strategy is highly dependent (notably with respect to its performance) upon the expertise and abilities of the Investment Manager as well as its Trading Strategy which will be used to build up the Strategy Portfolio.
The Trading Strategy is derived from a proprietary discretionary trading strategy owned and operated by the Investment Manager, but the Investors must be aware that such Trading Strategy is a bespoke Trading Strategy specifically developed for the purpose of the Sub-Fund and does not purport to replicate pari passu an existing strategy or program run by the Investment Manager. For that reason there may be significant discrepancies between the performance of the Sub-Fund and the performance of other investment funds managed by the Investment Manager.
Further, the Investment Manager has discretion over the Trading Strategy and, therefore, the incapacity or retirement of investment professionals of the Investment Manager may adversely affect its investment results. Further, if either of the key individuals who are principally responsible for the Strategy Portfolio's investment activities are not available to the Investment Manager, the performance of the Trading Strategy could be adversely affected.

Interest Rate Risk
Interest rate risk refers to fluctuations in the value of a fixed-income security resulting from changes in the general level of interest rates. When the general level of interest rates goes up, the prices of most fixed-income securities go down. When the general level of interest rates goes down, the prices of most fixed-

income securities go up. Interest rate risk is generally greater for investments with long durations or maturities.

Credit Risk

Being exposed to bonds and other fixed income securities, the Sub-Fund is subject to the risk that some issuers may not make timely payments of interest and/or principal on such securities, which will adversely affect its value. Furthermore, an issuer may suffer adverse changes in its financial condition that could lower the credit quality of a security, leading to greater volatility in the price of the security and in the value of the Sub-Fund. A change in the quality rating of a bond or other security can also affect the security's liquidity and make it more difficult to sell.

Because the Sub-Fund is exposed to non-investment grade bonds, it presents a higher credit risk than if it had been exposed to investment grade securities.

Non-Investment Grade Investments (High Yield)

The Sub-Fund can invest in bonds that are rated sub-investment grade, or bonds which are unrated but judged to be of comparable quality with sub-investment grade bonds. Those securities may be subject to a greater risk of loss of income and principal in case of default or insolvency of the borrower than similar higher rated securities and their market value may also be more volatile.

Real Estate Risk

Although the Sub-Fund will not invest in real property directly, the Sub-Fund may be subject to risks similar to those associated with the direct ownership of real property through its investment in UCIs linked to the real estate market and may be indirectly exposed to REITS through such UCIs. The Sub-Fund will be indirectly impacted by the adverse performance of REITS invested by UCIs the Sub-Fund holds.

Commodities Risk

The Sub-Fund may also invest in UCIs exposed to commodities and thus, be exposed to commodity markets risk. The commodity markets generally are subject to greater risks than other markets. It is a feature of commodities generally that they are subject to rapid change and the risks involved may change relatively quickly. Commodity prices are determined by forces of supply and demand in the commodity markets and these forces are themselves influenced by, without limitation, consumption patterns, macro economic factors, weather conditions, natural disasters, trade, fiscal, monetary and exchange policies and controls of governments and other unforeseeable events. In addition, the geographical distribution and concentration of commodities may expose the Sub-Fund to issues such as heightened political risks, sovereign intervention and the potential for sovereign claims to output, acts of war, or increase in resources-related rents and taxes. There is also the risk that industrial production may fluctuate widely, decline sharply, or be subject to waning secular consumption trends, adversely affecting the performance of the Sub-Fund.

Risk of investment in Emerging and Developing Markets

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.

Securities Lending

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

Risk linked to the use of Repurchase Agreements

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

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

Characteristics

Characteristics of the Share classes available in the Sub-Fund

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
Class I	U.S.$	Capitalization	No
Class B	U.S.$	Capitalization	No
Class R	U.S.$	Capitalization	No
Class J	U.S.$	Capitalization	No

<table>
<tr><th>Share class</th><th>Maximum Sales Charge</th><th>Maximum Redemption Fee</th><th>Maximum Management Company Fee[1]</th><th>Maximum Investment Management Fee[2]</th><th>Minimum Initial Investment</th><th>Minimum Holding[3]</th></tr>
<tr><td>Class I</td><td rowspan="4">None</td><td rowspan="4">None</td><td>0.50 % p.a.</td><td>0.65 % p.a.</td><td>U.S.$ 500,000</td><td>None</td></tr>
<tr><td>Class B</td><td>0.50 % p.a.</td><td>0.55 % p.a.</td><td>The U.S.$ equivalent of R$ 20,000</td><td>None</td></tr>
<tr><td>Class R</td><td>0.50 % p.a.</td><td>0.90 % p.a.</td><td>U.S.$ 20,000</td><td>None</td></tr>
<tr><td>Class J</td><td>0.50 % p.a.</td><td>0.50 % p.a.</td><td>U.S $20,000,000.00</td><td>U.S $20,000,000</td></tr>
</table>

[1] Paid to the Management Company. The Management Company Fee will be calculated and accrued daily based on the daily Net Asset Value of the Shares and will paid quarterly in arrears. Such Management Company Fee will be subject to a minimum of the equivalent in U.S.$. of € 100,000 p.a. or to any lower amount that might be determined by the Management Company.

[2] Paid to the Investment Manager. The Investment Management Fee will be calculated and accrued daily based on the daily Net Asset Value of the Shares and will paid quarterly in arrears.

[3] Excluding impact of performance

The Sub-Fund will not pay any Performance Fee.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

<table>
<tr><th rowspan="1">Valuation Day (VD)</th><th colspan="2">Application Day and Cut-Off Time</th><th>Subscription Settlement Date</th><th>Redemption Settlement Date</th><th>NAV Publication Date</th></tr>
<tr><td rowspan="2">Every Business Day</td><td>Subscription, and Conversion within the Sub-Fund</td><td>Redemption</td><td rowspan="2">Up to VD+3 Business Days</td><td rowspan="2">Up to VD+5 Business Days</td><td rowspan="2">Up to VD + 2 Business Days</td></tr>
<tr><td>VD-1 between 9am to 5pm</td><td>VD-1 between 9am to 5pm</td></tr>
</table>

"**Business Day**" means any day, other than a Saturday or Sunday, on which banks are open for full banking business in Luxembourg and Paris, and any other day as may be determined from time to time by the Management Company.

"**Valuation Day**" means the Business Day on the basis of which the Net Asset Value per Share is calculated.

Subscriptions in Kind

The Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Fund or its duly appointed delegate.

Base Currency of the Sub-Fund

US Dollar

Launch date

The Sub-Fund has been launched on 22 September 2016.

10. Lyxor Selection Fund – Bradesco International Diversification Fund - Balanced

Investment Objective

The investment objective of the Sub-Fund is to achieve capital growth over a long-term investment horizon.

The sub-fund will be exposed to fixed income markets, money market investments and to more risky markets such as equity markets. The Sub-Fund will be actively managed and will achieve its exposure mainly through UCIs (the "**Underlying Funds**"), as opposed to investing directly in transferable securities and money market instruments. The Underlying Funds may include UCITS, other UCIs and exchange traded funds (ETFs) which allow for an access notably to fixed income, money market and equity markets.

Investment Manager

The Management Company has appointed Banco Bradesco Europa S.A., acting through its London Branch, as Investment Manager of the Sub-Fund (the "**Investment Manager**") in order to benefit from the knowledge and skills of the Investment Manager and to reach the Investment Objective. The Investment Manager employs a large research team to perform analysis on historical data related to financial markets in an attempt to identify profitable investment opportunities. The Investment Manager is authorised and regulated by both the CSSF and the FCA.

The Investment Manager is appointed pursuant to the Investment Management Delegation Agreement (the "**Agreement**"). Under this Agreement, the Investment Manager shall provide the Management Company with an allocation basket amongst eligible assets selected in compliance with the investment objective and policy described below. Pursuant to the terms of the Agreement, the Management Company shall provide the Investment Manager with access to its mutual funds selection team. The Management Company shall provide the Investment Manager with a primary list of eligible assets and mutual funds the Investment Manager may, at its own discretion, use to perform its duties.

Investment Policy

Principal Investment Strategy

The Sub-Fund seeks to achieve its investment objective by investing mainly in UCITS providing exposure to financial indices. The Sub-Fund may also invest in UCITS pursuing alternative strategies.

Cash equivalent investments will be deemed to be representative of the money market markets.

The Investment Strategy is implemented by the Investment Manager via the establishment of a model portfolio resulting from a fundamental investment process.

The fundamental investment process relies on a combination of a top down macroeconomic analysis (diversification among strategies) and bottom up perspectives (selection of underlying mutual funds) aiming to evaluate market drivers in term of interest rates, foreign exchange, inflation, GDP trends and corporate credit risk assessment.

The Sub-Fund may invest up to 30% of its net assets in shares or units of other UCIs in accordance with article 41 e) of the Law as more fully described under "Investment Restrictions" above.

The Sub-Fund may also invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to in 41 (2) of the Law.

The Sub-Fund may also invest, on an ancillary basis, in shares or units of UCITS and/or other UCIs providing exposure to the real estate market, commodities market and non-investment grade bonds.

The Sub-Fund may borrow funds in order to optimise its cash management within the conditions and limits described under "Investment Restrictions" above.

There can be no assurance that the Sub-Fund's investment objective will be achieved, and investment results may vary substantially over time.

The underlying UCITS and other assets in which the Sub-Fund will invest will be selected from time to time by the Investment Manager among an investment universe previously agreed with the Investment Manager and approved by the Management Company. The Management Company may, in certain circumstances as provided in the Investment Management Delegation Agreement, decide not to invest into any of the underlying UCITS funds and other assets determined by the Investment Manager, subject to having previously informed the Investment Manager.

Typical Investor's Profile

The Sub-Fund is suitable for investors who are willing to gain exposure to UCITS investing in financial indices and/or pursuing alternative strategies. Despite all measures taken by the Management Company and the Investment Manager to achieve the Sub-Fund's objective, no guarantee whatsoever may be offered to the investor in this regard. Share values of the Sub-Fund are subject to market fluctuation as with all investment funds. As a result, the Share values may go up or down. Investors' attention is drawn on the fact that there is no capital protection or guarantee so that, investors can lose their capital in part or in whole.

The Sub-Fund is appropriate for investors who can afford to set aside the invested capital for at least 5 years. The Sub-Fund is designed for the investment objective of building up capital over the long term.

Use of Derivatives or Other Investment Techniques and Instruments

The Sub-Fund may use over-the-counter derivatives for forex hedging purposes, as described under "*Special Investment and Hedging Techniques*" above.

Risk Management

The global exposure of this Sub-Fund is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Cash Management

Under certain exceptional market conditions, the Sub-Fund may invest a significant amount of its assets in cash and cash equivalents, including Money Market Instruments, if the Investment Manager believes that it would be in the best interest of the Sub-Fund and its Shareholders.

Securities Lending Transactions, Repurchase and Reverse Repurchase Transactions

The Sub-Fund may enter into securities lending or borrowing transactions or any collateral transactions if required to do so when using other OTC Derivatives as described above in which case the collateral transaction will be dealt with in accordance with applicable laws and regulations (including but not limited to CSSF Circular 08/356 and CSSF Circular 14/592) and as described under "*Special Investment and Hedging Techniques*" above. The collateral received by the Sub-Fund will be limited to cash in the reference currency of the Sub-Fund or securities that would be eligible to the Sub-Fund for direct investment, as described above. The Sub-Fund may also enter into securities lending and borrowing transactions.

Principal Risks

The principal risks of investing in the Sub-Fund are linked to:

- Use of Efficient Portfolio Management Techniques and Derivatives
- Absence or Lack of Diversification
- Small Market Capitalization Companies
- Mid-Sized Companies
- Large Capitalization Companies
- Increased Cost of Frequent Trading
- Conflicts of Interest
- Other Accounts of Investment Manager
- Capital Erosion Risk
- Foreign Exchange/Currency Risk
- Changes in Applicable Law
- Long Equity Exposure
- Counterparty risk
- Investment in units or shares of UCIs or UCITS
- General Economic and Market Conditions
- Fraud or Misrepresentation:
- Risk linked to investments in alternative investment strategies

Please refer to the relevant sections under "*Principal Risks*" above.

Specific Risk Factors to the Sub-Fund

This Section should be considered carefully, and read in conjunction with the section "Principal Risks" of Part I "General Information relating to the Company" of this Prospectus, but is not meant to be an exhaustive listing of all potential risks associated with an investment in the Sub-Fund. When considering investing in the Sub-Fund, any potential investor should bear in mind that the NAV of the Sub-Fund may decline abruptly and should be prepared to sustain a total loss of their investment in the Sub-Fund.

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

No assurance can be given that the Sub-Fund will achieve its Investment Objective. There can be no assurance that the Investment Manager will be able to allocate the Sub-Fund's assets in a manner that is profitable to the Sub-Fund. In addition, there is no assurance that the investment and asset allocation strategy developed by the Investment Manager, and as presented in the Investment Objective and Investment Policy as set out herein can lead to a positive performance in the value of the Shares. The Sub-Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value.

Lack of Operating History

The Sub-Fund is only recently established and therefore has a limited history for the purposes of evaluating its performance. Any back-testing or similar analysis performed by any person in respect of the Sub-Fund must be considered illustrative only and may be based on estimates or assumptions.

Dependence on Investment Manager

The Strategy is highly dependent (notably with respect to its performance) upon the expertise and abilities of the Investment Manager as well as its Trading Strategy which will be used to build up the Strategy Portfolio.
The Trading Strategy is derived from a proprietary discretionary trading strategy owned and operated by the Investment Manager, but the Investors must be aware that such Trading Strategy is a bespoke Trading Strategy specifically developed for the purpose of the Sub-Fund and does not purport to replicate pari passu an existing strategy or program run by the Investment Manager. For that reason there may be significant discrepancies between the performance of the Sub-Fund and the performance of other investment funds managed by the Investment Manager.
Further, the Investment Manager has discretion over the Trading Strategy and, therefore, the incapacity or retirement of investment professionals of the Investment Manager may adversely affect its investment results. Further, if either of the key individuals who are principally responsible for the Strategy Portfolio's investment activities are not available to the Investment Manager, the performance of the Trading Strategy could be adversely affected.

Interest Rate Risk

Interest rate risk refers to fluctuations in the value of a fixed-income security resulting from changes in the general level of interest rates. When the general level of interest rates goes up, the prices of most fixed-income securities go down. When the general level of interest rates goes down, the prices of most fixed-income securities go up. Interest rate risk is generally greater for investments with long durations or maturities.

Credit Risk
Being exposed to bonds and other fixed income securities, the Sub-Fund is subject to the risk that some issuers may not make timely payments of interest and/or principal on such securities, which will adversely affect its value. Furthermore, an issuer may suffer adverse changes in its financial condition that could lower the credit quality of a security, leading to greater volatility in the price of the security and in the value of the Sub-Fund. A change in the quality rating of a bond or other security can also affect the security's liquidity and make it more difficult to sell.
Because the Sub-Fund is exposed to non-investment grade bonds, it presents a higher credit risk than if it had been exposed to investment grade securities.

Non-Investment Grade Investments (High Yield)
The Sub-Fund can invest in bonds that are rated sub-investment grade, or bonds which are unrated but judged to be of comparable quality with sub-investment grade bonds. Those securities may be subject to a greater risk of loss of income and principal in case of default or insolvency of the borrower than similar higher rated securities and their market value may also be more volatile.

Real Estate Risk
Although the Sub-Fund will not invest in real property directly, the Sub-Fund may be subject to risks similar to those associated with the direct ownership of real property through its investment in UCIs linked to the real estate market and may be indirectly exposed to REITS through such UCIs. The Sub-Fund will be indirectly impacted by the adverse performance of REITS invested by UCIs the Sub-Fund holds.

Commodities Risk
The Sub-Fund may also invest in UCIs exposed to commodities and thus, be exposed to commodity markets risk. The commodity markets generally are subject to greater risks than other markets. It is a feature of commodities generally that they are subject to rapid change and the risks involved may change relatively quickly. Commodity prices are determined by forces of supply and demand in the commodity markets and these forces are themselves influenced by, without limitation, consumption patterns, macro economic factors, weather conditions, natural disasters, trade, fiscal, monetary and exchange policies and controls of governments and other unforeseeable events. In addition, the geographical distribution and concentration of commodities may expose the Sub-Fund to issues such as heightened political risks, sovereign intervention and the potential for sovereign claims to output, acts of war, or increase in resources-related rents and taxes. There is also the risk that industrial production may fluctuate widely, decline sharply, or be subject to waning secular consumption trends, adversely affecting the performance of the Sub-Fund.

Risk of investment in Emerging and Developing Markets
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

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

Risk linked to the use of Repurchase Agreements
Repurchase agreements create the risk that the Sub-Fund will be obliged to repurchase the securities under the agreement where the market value of such securities sold by the Sub-Fund may decline below the agreed repurchase price. In the event that the buyer of securities under a repurchase agreement files for bankruptcy or proves insolvent, the Sub-Fund's use of proceeds from the agreement may be restricted

pending the determination by the other party or its trustee or receiver whether to enforce the obligation to repurchase the securities.

Risk linked to the use of Reverse Repurchase Agreements

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

Characteristics

Characteristics of the Share classes available in the Sub-Fund

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
Class I	U.S.$	Capitalization	No
Class B	U.S.$	Capitalization	No
Class R	U.S.$	Capitalization	No
Class J	U.S.$	Capitalization	No

Share class	Maximum Sales Charge	Maximum Redemption Fee	Maximum Management Company Fee[1]	Maximum Investment Management Fee[2]	Minimum Initial Investment	Minimum Holding[3]
Class I	None	None	0.50 % p.a.	0.90 % p.a.	U.S.$ 500,000	None
Class B			0.50 % p.a.	0.65 % p.a.	The U.S.$ equivalent of R$ 20,000	None
Class R			0.50 % p.a.	1.15 % p.a.	U.S.$20,000	None
Class J			0.50 % p.a.	0.60 % p.a.	U.S $20,000,000	U.S $20,000,000

1 Paid to the Management Company. The Management Company Fee will be calculated and accrued daily based on the daily Net Asset Value of the Shares and will paid quarterly in arrears. Such Management Company Fee will be subject to a minimum of the equivalent in U.S.$. of € 100,000 p.a. or to any lower amount that might be determined by the Management Company.

2 Paid to the Investment Manager. The Investment Management Fee will be calculated and accrued daily based on the daily Net Asset Value of the Shares and will paid quarterly in arrears.

3 Excluding impact of performance

The Sub-Fund will not pay any Performance Fee.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

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"**Business Day**" means any day, other than a Saturday or Sunday, on which banks are open for full banking business in Luxembourg and Paris, and any other day as may be determined from time to time by the Management Company.

"**Valuation Day**" means the Business Day on the basis of which the Net Asset Value per Share is calculated.

Subscriptions in Kind

The Fund may accept payment for subscriptions in the Sub-Fund in the form of securities and other instruments, provided that such securities or instruments comply with the investment objectives and policies of the Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Fund's Auditor (*réviseur d'entreprises agréé*) which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities or other instruments shall be borne by the relevant Shareholders. Subscriptions in kind will have to be previously and expressly authorized by the Board of Directors of the Fund or its duly appointed delegate.

Base Currency of the Sub-Fund

US Dollar

Launch date

The Sub-Fund has been launched on 22 September 2016.

11. Lyxor Selection Fund – Bradesco International Diversification Fund - Growth

Investment Objective

The investment objective of the Sub-Fund is to achieve capital growth over a long-term investment horizon.

The sub-fund will be exposed to fixed income markets, money market investments and potentially to a large extent to more risky markets such as equity markets. The Sub-Fund will be actively managed and will achieve its exposure mainly through UCIs (the "**Underlying Funds**"), as opposed to investing directly in transferable securities and money market instruments. The Underlying Funds may include UCITS, other UCIs and exchange traded funds (ETFs) which allow for an access notably to fixed income, money market and equity markets.

Investment Manager

The Management Company has appointed Banco Bradesco Europa S.A., acting through its London Branch, as Investment Manager of the Sub-Fund (the "**Investment Manager**") in order to benefit from the knowledge and skills of the Investment Manager and to reach the Investment Objective. The Investment Manager employs a large research team to perform analysis on historical data related to financial markets in an attempt to identify profitable investment opportunities. The Investment Manager is authorised and regulated by both the CSSF and the FCA.

The Investment Manager is appointed pursuant to the Investment Management Delegation Agreement (the "**Agreement**"). Under this Agreement, the Investment Manager shall provide the Management Company with an allocation basket amongst eligible assets selected in compliance with the investment objective and policy described below. Pursuant to the terms of the Agreement, the Management Company shall provide the Investment Manager with access to its mutual funds selection team. The Management Company shall provide the Investment Manager with a primary list of eligible assets and mutual funds the Investment Manager may, at its own discretion, use to perform its duties.

Investment Policy

Principal Investment Strategy

The Sub-Fund seeks to achieve its investment objective by investing mainly in UCITS providing exposure to financial indices. The Sub-Fund may also invest in UCITS pursuing alternative strategies.

Cash equivalent investments will be deemed to be representative of the money market markets.

The Investment Strategy is implemented by the Investment Manager via the establishment of a model portfolio resulting from a fundamental investment process.

The fundamental investment process relies on a combination of a top down macroeconomic analysis (diversification among strategies) and bottom up perspectives (selection of underlying mutual funds) aiming to evaluate market drivers in term of interest rates, foreign exchange, inflation, GDP trends and corporate credit risk assessment.

The Sub-Fund may invest up to 30% of its net assets in shares or units of other UCIs in accordance with article 41 e) of the Law as more fully described under "Investment Restrictions" above.

The Sub-Fund may also invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to in 41 (2) of the Law.

The Sub-Fund may also invest, on an ancillary basis, in shares or units of UCITS and/or other UCIs providing exposure to the real estate market, commodities market and non-investment grade bonds.

The Sub-Fund may borrow funds in order to optimise its cash management within the conditions and limits described under "Investment Restrictions" above.

There can be no assurance that the Sub-Fund's investment objective will be achieved, and investment results may vary substantially over time.

The underlying UCITS and other assets in which the Sub-Fund will invest will be selected from time to time by the Investment Manager among an investment universe previously agreed with the Investment Manager and approved by the Management Company. The Management Company may, in certain circumstances as provided in the Investment Management Delegation Agreement, decide not to invest into any of the underlying UCITS funds and other assets determined by the Investment Manager, subject to having previously informed the Investment Manager.

Typical Investor's Profile

The Sub-Fund is suitable for investors who are willing to gain exposure to UCITS investing in financial indices and/or pursuing alternative strategies. Despite all measures taken by the Management Company and the Investment Manager to achieve the Sub-Fund's objective, no guarantee whatsoever may be offered to the investor in this regard. Share values of the Sub-Fund are subject to market fluctuation as with all investment funds. As a result, the Share values may go up or down. Investors' attention is drawn on the fact that there is no capital protection or guarantee so that, investors can lose their capital in part or in whole.

The Sub-Fund is appropriate for investors who can afford to set aside the invested capital for at least 5 years. The Sub-Fund is designed for the investment objective of building up capital over the long term.

Use of Derivatives or Other Investment Techniques and Instruments

The Sub-Fund may use over-the-counter derivatives for forex hedging purposes, as described under "*Special Investment and Hedging Techniques*" above.

Risk Management

The global exposure of this Sub-Fund is calculated using the commitment approach as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512.

Cash Management

Under certain exceptional market conditions, the Sub-Fund may invest a significant amount of its assets in cash and cash equivalents, including Money Market Instruments, if the Investment Manager believes that it would be in the best interest of the Sub-Fund and its Shareholders.

Securities Lending Transactions, Repurchase and Reverse Repurchase Transactions

The Sub-Fund may enter into securities lending or borrowing transactions or any collateral transactions if required to do so when using other OTC Derivatives as described above in which case the collateral transaction will be dealt with in accordance with applicable laws and regulations (including but not limited to CSSF Circular 08/356 and CSSF Circular 14/592) and as described under "*Special Investment and Hedging Techniques*" above. The collateral received by the Sub-Fund will be limited to cash in the reference currency of the Sub-Fund or securities that would be eligible to the Sub-Fund for direct investment, as described above. The Sub-Fund may also enter into securities lending and borrowing transactions.

Principal Risks

The principal risks of investing in the Sub-Fund are linked to:

- Use of Efficient Portfolio Management Techniques and Derivatives
- Absence or Lack of Diversification
- Small Market Capitalization Companies
- Mid-Sized Companies
- Large Capitalization Companies
- Increased Cost of Frequent Trading
- Conflicts of Interest
- Other Accounts of Investment Manager
- Capital Erosion Risk
- Foreign Exchange/Currency Risk
- Changes in Applicable Law
- Long Equity Exposure
- Counterparty risk
- Investment in units or shares of UCIs or UCITS
- General Economic and Market Conditions
- Fraud or Misrepresentation:
- Risk linked to investments in alternative investment strategies

Please refer to the relevant sections under "*Principal Risks*" above.

Specific Risk Factors to the Sub-Fund

This Section should be considered carefully, and read in conjunction with the section "Principal Risks" of Part I "General Information relating to the Company" of this Prospectus, but is not meant to be an exhaustive listing of all potential risks associated with an investment in the Sub-Fund. When considering investing in the Sub-Fund, any potential investor should bear in mind that the NAV of the Sub-Fund may decline abruptly and should be prepared to sustain a total loss of their investment in the Sub-Fund.

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

No assurance can be given that the Sub-Fund will achieve its Investment Objective. There can be no assurance that the Investment Manager will be able to allocate the Sub-Fund's assets in a manner that is profitable to the Sub-Fund. In addition, there is no assurance that the investment and asset allocation strategy developed by the Investment Manager, and as presented in the Investment Objective and Investment Policy as set out herein can lead to a positive performance in the value of the Shares. The Sub-Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value.

Lack of Operating History

The Sub-Fund is only recently established and therefore has a limited history for the purposes of evaluating its performance. Any back-testing or similar analysis performed by any person in respect of the Sub-Fund must be considered illustrative only and may be based on estimates or assumptions.

Dependence on Investment Manager

The Strategy is highly dependent (notably with respect to its performance) upon the expertise and abilities of the Investment Manager as well as its Trading Strategy which will be used to build up the Strategy Portfolio.
The Trading Strategy is derived from a proprietary discretionary trading strategy owned and operated by the Investment Manager, but the Investors must be aware that such Trading Strategy is a bespoke Trading Strategy specifically developed for the purpose of the Sub-Fund and does not purport to replicate pari passu an existing strategy or program run by the Investment Manager. For that reason there may be significant discrepancies between the performance of the Sub-Fund and the performance of other investment funds managed by the Investment Manager.
Further, the Investment Manager has discretion over the Trading Strategy and, therefore, the incapacity or retirement of investment professionals of the Investment Manager may adversely affect its investment results. Further, if either of the key individuals who are principally responsible for the Strategy Portfolio's investment activities are not available to the Investment Manager, the performance of the Trading Strategy could be adversely affected.

Interest Rate Risk

Interest rate risk refers to fluctuations in the value of a fixed-income security resulting from changes in the general level of interest rates. When the general level of interest rates goes up, the prices of most fixed-income securities go down. When the general level of interest rates goes down, the prices of most fixed-income securities go up. Interest rate risk is generally greater for investments with long durations or maturities.

Credit Risk

Being exposed to bonds and other fixed income securities, the Sub-Fund is subject to the risk that some issuers may not make timely payments of interest and/or principal on such securities, which will adversely affect its value. Furthermore, an issuer may suffer adverse changes in its financial condition that could lower the credit quality of a security, leading to greater volatility in the price of the security and in the value of the Sub-Fund. A change in the quality rating of a bond or other security can also affect the security's liquidity and make it more difficult to sell.

Because the Sub-Fund is exposed to non-investment grade bonds, it presents a higher credit risk than if it had been exposed to investment grade securities.

Non-Investment Grade Investments (High Yield)

The Sub-Fund can invest in bonds that are rated sub-investment grade, or bonds which are unrated but judged to be of comparable quality with sub-investment grade bonds. Those securities may be subject to a greater risk of loss of income and principal in case of default or insolvency of the borrower than similar higher rated securities and their market value may also be more volatile.

Real Estate Risk

Although the Sub-Fund will not invest in real property directly, the Sub-Fund may be subject to risks similar to those associated with the direct ownership of real property through its investment in UCIs linked to the real estate market and may be indirectly exposed to REITS through such UCIs. The Sub-Fund will be indirectly impacted by the adverse performance of REITS invested by UCIs the Sub-Fund holds.

Commodities Risk

The Sub-Fund may also invest in UCIs exposed to commodities and thus, be exposed to commodity markets risk. The commodity markets generally are subject to greater risks than other markets. It is a feature of commodities generally that they are subject to rapid change and the risks involved may change relatively quickly. Commodity prices are determined by forces of supply and demand in the commodity markets and these forces are themselves influenced by, without limitation, consumption patterns, macro economic factors, weather conditions, natural disasters, trade, fiscal, monetary and exchange policies and controls of governments and other unforeseeable events. In addition, the geographical distribution and concentration of commodities may expose the Sub-Fund to issues such as heightened political risks, sovereign intervention and the potential for sovereign claims to output, acts of war, or increase in resources-related rents and taxes. There is also the risk that industrial production may fluctuate widely, decline sharply, or be subject to waning secular consumption trends, adversely affecting the performance of the Sub-Fund.

Risk of investment in Emerging and Developing Markets

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

Securities Lending

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

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Characteristics

Characteristics of the Share classes available in the Sub-Fund

Share class	Pricing Currency	Dividend Policy	Listing on the Luxembourg stock exchange
Class I	U.S.$	Capitalization	No
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Class J	U.S.$	Capitalization	No

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<tr><td>Class J</td><td>0.50 % p.a.</td><td>0.70 % p.a.</td><td>U.S $20,000,000</td><td>U.S $20,000,000</td></tr>
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[1] Paid to the Management Company. The Management Company Fee will be calculated and accrued daily based on the daily Net Asset Value of the Shares and will paid quarterly in arrears. Such Management Company Fee will be subject to a minimum of the equivalent in U.S.$. of € 100,000 p.a. or to any lower amount that might be determined by the Management Company.

[2] Paid to the Investment Manager. The Investment Management Fee will be calculated and accrued daily based on the daily Net Asset Value of the Shares and will paid quarterly in arrears.

[3] Excluding impact of performance

The Sub-Fund will not pay any Performance Fee.

Subscriptions, Conversions and Redemptions in the Sub-Fund: Pricing and Settlement

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Base Currency of the Sub-Fund

US Dollar

Launch date

The Sub-Fund has been launched on [TBD]