

FIDEA PROTECTION FUND

PROSPECTUS

FONDS PROFESSIONNEL SPECIALISE

FIDEA PROTECTION FUND

Fonds professionnel spécialisé

PROSPECTUS

I — GENERAL CHARACTERISTICS

LEGAL FORM OF THE AIF

The alternative investment fund (AIF) FIDEA PROTECTION FUND (hereinafter the “AIF” or the “Fund”) is a French *fonds professionnel spécialisé* (Specialised professional fund). It does not require the approval of the *autorité des marchés financiers* (AMF) and is not subject to the rules that apply to approved AIFs: Its investment and management rules are specified in its prospectus. Before investing in this Fund you should understand how it is managed and the particular risks that its investment strategy entails. You should in particular understand the following terms and conditions that govern the Fund’s operation and management:

- The Fund investment rules and limits;
- The terms that govern the subscription, acquisition and redemption of units in the Fund;
- The minimum net asset value below which the Fund will be dissolved.

These terms and conditions are specified in the Fund’s rules, under Articles 3, 3b and 11, as are the terms by which the Rules may be amended.

Only investors who are “eligible investors” as defined herein may subscribe units in the FIDEA PROTECTION FUND.

NAME

FIDEA PROTECTION FUND

LEGAL FORM AND MEMBER STATE IN WHICH THE FUND WAS INCORPORATED

Fonds Commun de Placement (“FCP”) incorporated in France.

Date of establishment and expected duration

The Fund was established on 19 April 2016 for a period of 99 years.

The Fund was launched on 19 April 2016 (the “**Inception Date**”).

SUMMARY OF INVESTMENT MANAGEMENT PROPOSAL

Initial Net Asset Value per Unit (“INAV”)	ISIN Code	Income distribution	Fund currency	Eligible investors	Initial minimum subscription amount	Date and frequency of net asset value calculation (“Net Asset Value Date”)
100 EUR	FR0013150109	Capitalisation	EURO	Professional investors and more specifically dedicated to FIDEA NV	100,000 EUR	Tuesday of each week

The NAV or Net Asset Value means the net asset value of the Fund, as calculated and established in accordance with the valuation rules of this prospectus, and published by the Management Company.

WHERE TO OBTAIN THE MOST RECENT ANNUAL AND INTERIM REPORTS, THE LATEST NET ASSET VALUE AND INFORMATION ABOUT PAST PERFORMANCES

The most recent annual and periodic reports will be sent within one week to Fund’s unitholders who request these documents in writing from:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17, cours Valmy

92987 PARIS- LA DEFENSE CEDEX

e-mail: client-services@lyxor.com

Requests for more information or explanations may be made via the website at www.lyxorfunds.com

The AMF's website at www.amf-France.org provides additional information on regulatory documents and the protection of investors. This Prospectus must be made available to investors prior to subscription. Information required by Article 421-34 paragraph IV of the AMF General Regulation are communicated in the annual report.

II — SERVICE PROVIDERS

MANAGEMENT COMPANY

LYXOR INTERNATIONAL ASSET MANAGEMENT

A société par actions simplifiée

Registered office: 17, cours Valmy – 92987 PARIS- LA DEFENSE CEDEX

Postal address: LYXOR INTERNATIONAL ASSET MANAGEMENT 189 Rue d'Aubervilliers - 75886 PARIS CEDEX 18 – France

REGISTRAR AND TRANSFER AGENT

SOCIETE GENERALE

32, rue du Champs de Tir

44000 Nantes

CUSTODIAN/DEPOSITARY

SOCIETE GENERALE ("**Depositary Bank**")

A credit institution founded on 8 May 1864 by special decree of Napoleon III.

Registered office: 29, bld Haussmann – F-75009 Paris - FRANCE

Depositary function:

Postal address: 75886 Paris cedex 18– FRANCE

The Depositary Bank's liability shall not be affected by any sub-custodian delegation mentioned in the Depositary agreement. However, the Depositary Bank may discharge its liability in case of loss of assets held in custody with delegates provided that:

- all requirements for the delegation of its safe-keeping services set forth above are met;
- the written contract between the Depositary Bank and the relevant delegate expressly transfers the liability of the Depositary Bank to that delegate and makes it possible for the General Partner acting on behalf of the Fund to make a claim against that delegate in respect of the loss of assets or for the Depositary Bank to make such a claim on behalf of the Fund; and
- there are objective reasons for such discharge of liability which are:
 - (i) limited to precise and concrete circumstances characterising a given activity; and
 - (ii) consistent with the Depositary Bank's policies and decisions.

Such objective reasons shall be established each time the Depositary Bank intends to discharge itself of liability.

AUDITOR

PRICEWATERHOUSECOOPERS AUDIT

Limited Liability Company ("Société Anonyme").

Registered office: 63, rue de Villiers – 92208 Neuilly-sur-Seine - France

ENTITY RESPONSIBLE FOR ENSURING THAT PROSPECTIVE INVESTORS AND PURCHASERS OF UNITS IN THE FUND MEET ELIGIBILITY CRITERIA AND HAVE RECEIVED THE REQUIRED INFORMATION

Upon subscription, the Management Company should ensure that the unitholders comply with the criteria as defined under chapter "*souscripteurs concernés*" of article 423- 27 of the french *Règlement général de l'Autorité des marchés financiers* and that these unitholders have received the information required by the article 423-30 of the french *Règlement général de l'Autorité des marchés financiers*.

Each entity in charge of offering the units in the Fund must ensure that the written declaration mentioned under article 423- 31 of the French *Règlement général de l'Autorité des marchés financiers* has been made.

In accordance with article 423- 29 of the French *Règlement général de l'Autorité des marchés financiers* when the subscription or the purchase of units of a specialized investment fund is made by a non resident in France as the result of the offering of the units outside of France, both these investors to which the subscription or the purchase of the AIF is dedicated and the conditions of waiving to the advisory obligation such investors could benefit are subject to and governed by the applicable law of the country where such offer is made.

DELEGATED FUNCTIONS

LYXOR INTERNATIONAL ASSET MANAGEMENT will delegate the Fund's administrative and accounting management to: SOCIETE GENERALE SECURITIES SERVICES Net Asset Value ("**SGSS NAV**")

Immeuble Colline Sud - 10, passage de l'Arche – F-92081 Paris-La Défense Cedex - FRANCE

The services that SGSS NAV provide to LYXOR INTERNATIONAL ASSET MANAGEMENT consist in helping it with the administrative and accounting management of the Fund, and in particular in calculating Net Asset Values and preparing annual reports and statistics for Banque de France.

Investors should note that the administrator by delegation of the Fund is an entity of the Société Générale group.

III — FUND OPERATION AND MANAGEMENT

III-1 GENERAL CHARACTERISTICS

ISIN CODE

FR0013150109

UNIT CHARACTERISTICS

Each unitholder has a co-ownership right to the Fund's net assets proportional to the number of units held.

The units do not bear any voting rights as all decisions are made by the Management Company.

Units are held in bearer form.

The units may be divided into thousandths of units.

Subscriptions and redemptions are made in amount or a number of units.

CLOSING DATE

The balance sheet date is the last Business Day of December each year.

The first fiscal year ends on December 30, 2016.

TAXATION

Investors should note that the following information is just a general summary of the applicable tax regime under current French law, for investment in a *Specialized Investment Fund* ("SIF fund"). Investors are therefore advised to contact their usual tax advisor to examine their specific situation.

1. Taxation of the Fund

In France, the co-ownership status of SIF funds means that they are not subject to corporate income tax and therefore inherently benefit from some tax transparency. Accordingly the Fund is not liable for taxes on the income that it earns or receives for its management services. Outside of France (in the countries where the Fund invests), any capital gains on the sale of foreign securities and any foreign-source income that the Fund receives for its management services may be taxable and in this case are generally withheld at the source. Taxation outside of France may in some cases be reduced or eliminated under a tax treaty.

2. Taxation of Fund unitholders

2.1 French resident unitholders

Capital gains or losses realized by the Fund, the income it distributes and capital gains or losses realized by the unitholder are subject to applicable tax laws.

Investors are advised to contact their usual tax advisor to examine their specific situation.

2.2 Non-French resident unitholders

Without prejudice to any applicable tax treaty, income distributed by the Fund may be subject to a levy or withholding tax in France.

Pursuant to article 244 bis C of the French tax code, any capital gains on the redemption or disposal of units in the Fund are not taxable in France.

Non-French resident unitholders are subject to the tax laws of their country of residence.

INFORMATION CONCERNING THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

France and the United States have concluded a Model I intergovernmental agreement ("IGA"), to enable the enforcement in France of the U.S. Foreign Account Tax Compliance Act ("FATCA"), the purpose of which is to prevent tax evasion by U.S. taxpayers who hold financial assets abroad. The term "U.S. taxpayer" means a U.S. citizen or resident individual, a partnership or corporation organized in the United States or under the laws of the United States or any State thereof, a trust if (i) a court located in the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (ii) one or more U.S. taxpayers have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States. The Fund has been registered with the U.S. tax authorities as a "reporting financial institution". As such, the Fund is required, as of 2014, to report information to the U.S. tax authorities concerning certain asset holdings of, or payments to, certain U.S. taxpayers or non-U.S. financial institutions that are considered as non participating to FATCA, via automatic information exchange between French and U.S. tax authorities. Investors will be responsible for certifying their FATCA status with their financial intermediary or with the management company, as applicable.

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

It is recommended that investors whose units are held by a custodian in a jurisdiction that is not a party to an IGA ask their custodian what the custodian's intentions are with respect to FATCA. Some custodians may require additional information from investors to comply with their obligations under FATCA or with the obligations of the custodian's jurisdiction.

Moreover, the scope of obligations under FATCA or under an IGA may vary depending on the custodian's jurisdiction. Investors should therefore seek advice from their financial advisor.

III-2 SPECIFIC CHARACTERISTICS

ISIN code: FR0013150109

CLASSIFICATION

Diversified Fund

INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide the unitholders with capital appreciation in all market conditions through absolute return strategies while actively managing the downside risk and protecting its capital through a 80% Time Invariant Portfolio Protection (TIPP) mechanism (the "**TIPP Strategy**") as described in the Investment Strategy below. The Fund will be exposed to the "**Risky Assets**" (as defined below) and to the "**Non Risky Assets**" (as defined below) combined with a permanent 80% dynamic protection on a 4 Quarters rolling basis with a quarterly NAV reference date mechanism (the "**80% Dynamic Protection**").

This Fund offers a profiled type of management implemented by the Management Company.

INVESTMENT STRATEGY

1. Strategy employed

The TIPP Strategy will be implemented by the Management Company and will involve periodically a rebalancing between the Risky Assets and Non Risky Assets through the TIPP Strategy in order to provide the unitholders with the 80% Dynamic Protection.

According to the 80% Dynamic Protection, for each Net Asset Value Date, the Net Asset Value per unit (the "**NAV per Unit**") should be at least equal to the "**Protected NAV per Unit**":

- 80% of the highest NAV per Unit observed on the last Business Day of the four previous "**Quarters**" (Quarters mean: March, June, September, December); or
- 80% of the highest NAV per Unit observed on the last Business Day of the previous Quarters and the INAV if such Net Asset Value Date falls before the last Business Day of the fourth Quarter.

In accordance with the TIPP Strategy, the allocation process between the Risky Assets and the Non Risky Assets will be systematic and depends on the positive difference in value between the NAV per Unit and the Protected NAV per Unit adjusted for fees divided by the NAV per Unit (the "**Cushion**"). More specifically, exposure of the Fund to the Risky Assets, expressed in percentage of the Net Asset Value, should be managed such that it is a multiple (the "**Target Multiplier or 'TM'**") of the Cushion (the "**Theoretical Exposure**"). Should the value of the Cushion increase, the exposure to the Risky Assets will increase, and vice versa. The Theoretical Exposure should range from 0% to a maximum target of 110% of the Fund's Net Asset Value. Should the value of the Cushion equal zero (i.e. when the NAV per Unit equals the Protected NAV per Unit), then the exposure to the Risky Assets shall be equal to zero and the Fund shall be only exposed to the Non-Risky Assets.

Despite all measures taken by the Management Company to reach its objectives, these investments are subject to independent risk factors like changes in the fiscal or commercial regulations and/or political events. No guarantee whatsoever may be offered to the investor in this regard.

2. Balance sheet assets (excluding embedded derivatives)

The Risky Assets will be composed of a selection of UCITS and/or UCIs. UCITS and/or UCIs which will be considered for inclusion in the Risky Assets are funds managed by Lyxor Asset Management or Lyxor International Asset Management which pursue an absolute return strategy (the "**Lyxor Absolute Return Funds**").

Investment in non-UCITS is limited at 40% of the Fund's net assets.

The Non Risky Assets will be composed of cash instruments such as deposits with credit institutions, money market funds, cash equivalent funds and/or short term investment grade government debt securities.

3. Off-balance sheet assets (derivatives)

In order to achieve the 80% Dynamic Protection, the Fund will purchase a crash put option (the "**Crash Put**"). If the NAV per Unit falls below the Protected NAV per Unit, the Management Company will exercise the Crash Put and further use its best efforts to ensure that the protection is paid out in full to the Fund.

The Non Risky Assets may be composed of reverse repurchase agreements and/or OTC derivative instruments providing an exposure to the money market and traded with reputable counterparts.

The Fund may enter into futures and other derivative contracts on organised exchanges and into forward contracts, swaps and other contracts traded over-the-counter in order to hedge currency risk, interest rate risk and other risks.

Over-the-counter derivatives contracts may be entered into with reputable counterparties following a best selection process. At Inception Date, the Crash Put's counterparty will be Société Générale. In the best interest of the Client, the Management Company reserves the right to change the Crash Put's counterparty.

4. Securities with embedded derivatives

None

5. Bank deposits

To optimize its cash management, the Fund may deposit up to 100% of its net assets with credit institutions belonging to the same group as the depositary.

6. Leverage

The Fund may borrow up to 10% of its net assets.

As defined in the AIFM Directive, leverage involves any means by which the Management Company may increase the Fund's risk exposure, by borrowing cash or securities, by using the leverage provided by derivatives contracts, or by any other means. Leverage creates a risk for the Fund.

Calculation: leverage is the ratio between the Fund's exposure and the value of its net assets. The Management Company calculates the Fund's leverage using two cumulative methods that are defined respectively in Articles 7 and 8 of the European Commission's Delegated Regulation 231/2013 of 19/12/2012: the "gross method" and the "commitment method". The gross method gives the Fund's overall exposure, while the commitment method takes the Fund's hedging techniques into account. You may find more information on the gross method and the commitment method in the aforementioned Articles.

Leverage is regularly monitored and must not exceed the limits specified below. Leverage may however sometimes exceed these limits in some situations, such as during a bear market.

The following leverage limits will be observed:

- Gross exposure (calculated using the aforementioned gross method) may not exceed 110% of the Fund's net assets;
- Net exposure (calculated using the aforementioned commitment method) may not exceed 110% of the Fund's net assets.

In the event that money is borrowed, it will be borrowed from Société Générale or one of its subsidiaries, under terms and conditions similar to those that apply to third parties that borrow from Société Générale.

If the maximum leverage limit is modified, the Management Company will inform unitholders using any appropriate means.

7. Temporary purchases and sales of securities

For the purposes of the efficient management of the Fund, the manager reserves the right to engage in securities financing transactions, in particular:

- repurchase agreements and reverse repurchase agreements;
- lending/borrowing of debt, equities and money market instruments;

These transactions may incur costs which the Fund will bear.

All repurchase agreements and agreements to lend or borrow securities may be entered into with one or more counterparties, including Société Générale. The Fund shall be entitled to all income obtained from such agreements.

All efficient portfolio management techniques will be limited to 110% of the Fund's net assets.

8. Guarantee

In order to achieve its investment objective, the Fund can proceed to the pledge of one or more of its financial instruments accounts to third parties to guarantee the commitments taken by the Fund under the OTC Derivative transactions referred to in the "Off-balance sheet assets (derivatives)" section. In this case, for each OTC Derivative transactions concerned, the beneficiary of the guarantee will be the OTC Derivative counterparty.

Symmetrically, the Fund can receive cash and securities as guarantee of the commitments taken by OTC Derivative counterparty.

SUMMARY OF THE ADVANTAGES AND DISADVANTAGES OF THE FUND FOR HOLDERS

AVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">▪ Any unitholders subscribing units on the Inception Date or on the last Business Day of a Quarter is insured to retrieve at least 80% of the capital invested over the next 4	<ul style="list-style-type: none">▪ The Theoretical Exposure is not fixed and can be zero. In the case the Theoretical Exposure is zero, the Fund will be fully exposed to money market instruments. As a

<p>Quarters.</p> <ul style="list-style-type: none"> ▪ The Fund benefits from the 80% Dynamic Protection which enable the Fund: <ul style="list-style-type: none"> ○ to protect unitholders from a decrease of the Risky Assets; and ○ to optimise the Theoretical Exposure. 	<p>consequence, the Fund will be insensitive to the positive evolutions of the Risky Assets.</p> <ul style="list-style-type: none"> ▪ The 80% Dynamic Protection is effective for the units only subscribed on the Inception Date or on the last Business Day of the previous 4 Quarters.
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RISK PROFILE

WARNING

The Fund is a *specialized investment fund* (a French unregulated AIF). It does not require the approval of the *l'Autorité des marchés financiers* and is not subject to the rules that apply to approved funds. Its investment and management rules are specified in this prospectus. Before investing in this Fund you should understand how it is managed and the particular risks that its investment strategy entails. You should in particular understand the following terms and conditions that govern the Fund's operation and management:

- The Fund's investment rules and limits
- The terms that govern the subscription, acquisition and redemption of units in the Fund
- The minimum net asset value below which the Fund will be dissolved.

These terms and conditions are specified in the Fund's Rules, under Articles 3, 3b and 11, as are the terms by which the Rules may be amended.

Only investors who are "eligible investors" as defined below will be allowed to purchase units in the Fund.

WARNING REGARDING THE SPECIFIC RISKS TO WHICH THIS FUND IS EXPOSED

An investment in the Fund includes a high degree of risk. An investment in the Fund and the Fund's investments in financial instruments comprise a substantial number of additional risks. There can be no assurance that the Fund will be able to achieve its investment objective or that it will be able to return the investor's capital, and investment returns may vary significantly on a weekly, monthly, quarterly or yearly basis.

The following information does not purport to be an exhaustive description of all of the potential risks to which an investment in the Fund may be exposed.

Capital at risk

The price of Shares can go up as well as down and investors may not realise their initial investment.

The investments and the positions held by the Sub-Fund are subject to inter alia; (i) market fluctuations, (ii) reliability of counterparts and (iii) operational efficiency in the actual implementation of the investment policy 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 risks and operational risks.

At any time, the occurrence of any such risks is likely to generate a significant depreciation in the value of the Shares. Due to the risks embedded in the investment objective adopted by the Sub-Fund, the value of the Shares may decrease substantially and even fall to zero, at any time.

Market Risk

The value of investments of the Fund may go up and down due to changing economic, political or market conditions, or due to an issuer's individual situation.

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.

Counterparty Risk

The Fund is predominantly exposed to a counterparty risk resulting from the use of over-the-counter FDI or efficient portfolio management techniques whether the counterparty is Société Générale or another third party. The Fund may be exposed to the risk of bankruptcy, settlement default or any other type of default of the counterparty related to any trading transaction or agreement entered into by the Fund. In case of default of the counterparty, the trading transaction(s) or agreement(s) can be early terminated. The Fund will then endeavour its best efforts to reach its investment objective by entering into, if necessary, another trading transaction(s) or agreements(s) with 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 Fund to reach its investment objective.

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

Risk of using financial derivative instruments

The Fund may use financial derivatives instruments ("FDIs") in order to reach its investment objective or for hedging purposes. Transactions in FDIs may carry a high degree of risk.

The initial amount required to establish a position in such a derivative instrument may be much smaller than the exposure obtained through it, so that the transaction is "leveraged" or "geared". A relatively small movement of market prices may then result in a potentially substantial impact, which can prove beneficial or detrimental to the Fund. 8

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

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

Illiquidity Risk

In some circumstances, investments may be relatively illiquid making it difficult to acquire or dispose of them at the prices quoted on the various exchanges. Accordingly, the Fund may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties.

Société Générale Group Counterparty Risk

The Fund's assets will or may be held by and/or exposed and/or available solely to Société Générale and/or other members of the Société Générale Group, including, but not limited to as custodians, sub-custodians, counterparties, cash depositaries, prime brokers or otherwise. Accordingly the assets of the Fund are exposed to the creditworthiness or solvency of the Société Générale Group.

Achievement of Fund's Investment Objective

No assurance can be given that the Fund will achieve its Investment Objective. There can be no assurance that the Management Company will be able to allocate the assets of the Fund in a manner that is profitable to the Fund. In addition, there is no assurance that the investment strategy developed by the Management Company can lead to a positive performance in the value of the units of the Fund. The Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value.

Lack of Diversification

The Fund will implement an Investment Strategy which is concentrated in a limited number of Investment Schemes or types of securities, financial instruments or contracts. The Fund can notably allocate a very high weight to a single Investment Scheme (around 50%). Therefore the Fund will be exposed to losses disproportionate to market declines, in general, if there are disproportionately greater adverse price movements in those Investment Schemes.

Risk of opportunity loss

If following a significant decrease of the value of the Risky Assets, the Net Asset Value of Fund is close to the Protected NAV, the Fund will only be exposed to Non Risky Assets. Such a situation might remain during 1 year at a maximum. Shareholders should be aware that during this period, even if the value of Risky Assets rises, they will not benefit from this recovery. The performance of the Fund will then depend only on the performance of Non Risky Assets.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE:

Subscriptions in the Fund must comply with Article 423-27 of the *Règlement Général de l'Autorité des marchés financiers* (i.e. the General Regulations of French financial regulator) (as may be amended from time to time).

As of the date of this Prospectus, the subscription and acquisition of units in the Fund are reserved exclusively for:

- 1° The investors indicated in Article L. 214-155 of the French monetary and financial Code;
- 2° Investors whose initial subscription is at least equal to 100,000 euros;
- 3° Investors, individuals or legal entities whose initial subscription is at least equal to 30 000 euros and who meet one of the following three conditions:
 - a) they provide assistance in technical or financial matters to unlisted companies falling within the purpose of the Fund for their creation or development;
 - b) they provide assistance to the management company of the specialised professional fund in order to seek potential investors or contribute to the objectives sought by it in connection with research, selection, monitoring, disposal of investments;
 - c) they have acquired a knowledge of the private equity field as direct provider of equity to unlisted companies or as subscriber either (i) in a French FCPR not subject to advertising and solicitation, (ii) in a professional equity fund, (iii) in a specialised professional fund, or (iv) in an unlisted venture capital company;
- 4° all other investors when the subscription or acquisition is carried out in their name and on their behalf by an investment services provider acting within the scope of a portfolio management investment service, pursuant to section I of Article L.533-13 of the French monetary and financial Code and Article 314-60 of the general Regulation of the Autorité des marchés financiers.

The minimum initial subscription amount in the Fund is EUR 100,000 or a number of units for an equivalent amount.

This Fund is intended in general for investors who have enough experience to be able to assess the risks of their investments.

"U.S. Persons" (as defined in section IV – "COMMERCIAL INFORMATION" below) may not invest in the Fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

None

UNIT CHARACTERISTICS

Initial Net Asset Value per Unit ("INAV")	ISIN Code	Income distribution	Fund currency	Eligible investors	Initial minimum subscription amount	Date and frequency of net asset value calculation (Net Asset Value Date)
100 EUR	FR0013150109	Capitalisation	EURO	Professional investors and more specifically dedicated to FIDEA NV	100,000 EUR	Tuesday of each of each week

Units are held in bearer form and may be divided into thousandths of units.

The Management Company seeks to ensure the fair treatment of all unitholders. Amongst other things, the principle of treating investors fairly means (i) ensuring that all marketing communications are clear, fair and not misleading and carefully tailored to their intended audience; and (ii) ensuring that material conflicts of interests are identified, avoided where possible, managed and disclosed to ensure fair outcomes to investors.

SUBSCRIPTION AND REDEMPTION

Subscription and redemption orders must be placed directly with the entity responsible for processing these orders, and may be applied for a certain number of units or for an amount denominated in EUR.

A "**Business Day**" is defined as is any full working day in Paris and New-York when the banks are open for business.

The subscriptions on the Initial Net Asset Value will be collected and processed by the Depositary by 9 a.m. (Paris time) on 15 April 2016 and will be executed at the Initial Net Asset Value per unit of EUR 100.

Further subscription orders must be received by the Depositary by 9 a.m. (Paris time) 2 Business Days before the Net Asset Value Date and will be processed at that Net Asset Value of such date.

The minimum initial subscription amount is EUR 100,000.

There is no minimum amount for subsequent subscriptions.

Redemption orders must be received by the Depositary by 9 a.m. (Paris time) 2 Business Days before the Net Asset Value Date and will be processed at that Net Asset Value of such date.

The settlement of the units and cash for subscriptions will occur within 5 Business Days following the Net Asset Value Date.

The settlement of the units and cash for redemptions will occur within 6 Business Days following the Net Asset Value Date.

Subscriptions/redemptions in kind:

No subscription or redemption in kind will be permitted in the Fund

Address of the Depositary:

SOCIETE GENERALE
Département des Titres et de la Bourse
32, rue du Champs de Tir
BP 81236
44 312 Nantes CEDEX 3
Telephone: + 33 2 51 85 57 09
Fax: + 33 2 51 85 58 71

Date and frequency of net asset value calculation

The Net Asset Value is dated each Tuesday of each week, or the following Business Day if Tuesday is not a Business Day.

The Management Company may also calculate the Net Asset Value on a date other than a Net Asset Value Date (a "**Special Net Asset Value Date**") after informing all unitholders within a reasonable time and by any means. Applications for subscription and redemption can be done on the basis of the Net Asset Value calculated on such Special Net Asset Value Date. Subscription and redemption orders must be received by the Depositary by 9 a.m. (Paris time) 2 Business Days before the Special Net Asset Value Date and will be processed at the Net Asset Value of such date. Redemptions will be paid, and units delivered in accordance with the Fund's rules, redemptions will be paid within 6 Business Days and units will be delivered within 5 Business Days after the Special Net Asset Value Date.

The Net Asset Value will be calculated and published within 5 Business Days after the Net Asset Value Date. It can be obtained from the Management Company, on request.

THE NET ASSET VALUE MAY BE OBTAINED FROM:
LYXOR INTERNATIONAL ASSET MANAGEMENT
17, cours Valmy – 92987 Paris La Défense- FRANCE.
Or by e-mail at: client-services@lyxor.com

Mandatory redemption

The Management Company may dissolve the Fund if after four consecutive Net Asset Value Dates, the Fund's net asset value is still less than 35,000,000 euros (thirty five million euros). If the Fund is dissolved, units will be automatically redeemed at the most recent published net asset value.

FEES AND CHARGES

Subscription and redemption fees

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. The fees kept by the Fund compensate it for the expenses it bears in investing in or selling the Fund's assets. Fees that are not kept by the Fund may be paid to the Management Company, marketing agent, or other service provider.

Subscription and redemption fees will be as follows:

Subscription and redemption fees paid by investors	Base	Maximum rate
Subscription fee not kept by the Fund	NAV	Up to 5%
Subscription fee kept by the Fund	NAV	N/A
Redemption fee not kept by the Fund	NAV	N/A
Redemption fee kept by the Fund	NAV	N/A

Operating and management expenses

These expenses include all expenses directly invoiced to the Fund, with the exception of transaction expenses. Transaction expenses include intermediation costs (e.g. brokerage fees, stock-exchange tax) and any transaction fees that may be charged by the depositary or the Management Company, for example.

Operating and management expenses may also include:

- Incentive fees paid to the Management Company when the Fund exceeds its objectives. They are therefore invoiced to the Fund.
- Transaction fees invoiced to the Fund
- A percentage of the revenue obtained from temporary securities transactions.

For more information concerning the expenses that the Fund actually pays see the Statistical Information section (IX) in the detailed memorandum section of the full prospectus.

Fees charged to the Fund	Base	Maximum rate
Management fees including taxes	NAV	Up to 0.30%
Operating expenses including taxes (<i>this includes all fees/expenses that are not included in the Management fees (i.e. by the Auditor, Depositary, administrator, distributor, lawyer, etc.)</i>)	NAV	Up to 0.15%
Performance fee	NAV	N/A
Service providers receiving transaction fees: Management company (if applicable), depositary and other service providers	NAV	N/A
Indirect expenses on underlying Funds including taxes	NAV	Up to 1.61%

NOTICE

Depending on your tax regime, you may have to pay taxes on any capital gains or income from your units in the Fund. For more information about this we recommend that you contact your tax advisor.

IV — COMMERCIAL INFORMATION

The Fund will not be subject to any quotation, advertising, selling or other form of public solicitation

Subscription and redemption orders are placed by the investor's financial intermediaries and are processed by the Depositary which communicates a global amount and, where appropriate, an aggregate number of units as the result of the centralized receipt of orders.

The address of the Depositary:

SOCIETE GENERALE

Département des Titres et de la Bourse

32, rue du Champs de Tir

F-44000 Nantes

Telephone: + 33 2 51 85 57 09

Fax: + 33 2 51 85 58 71

The circulation and distribution of this prospectus and the offering of units of the Fund may be restricted in certain jurisdictions. Persons receiving this prospectus and/or more generally any information or documents with respect to or in connection with the Fund are required to inform themselves of and to observe all applicable restrictions. The offer, sale or purchase of units of the Fund, or the distribution, circulation or possession of the prospectus and/or any information or documents with respect to or in connection with the Fund, shall be made in compliance with all applicable laws and regulations in force in any jurisdiction in which such offer, sale or purchase of units of the Fund is made, or in which the distribution, circulation or possession of the prospectus and/or any information or documents with respect to or in connection with the Fund occurs, including the obtaining of any consent, approval or permission required by such applicable laws and regulations, the satisfaction of any other formalities needing to be observed and the payment of any issuance, transfer or other taxes requiring to be paid in such jurisdiction.

This prospectus and/or more generally any information or documents with respect to or in connection with the Fund does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

No person receiving in any territory a copy of this prospectus may treat the same as constituting an invitation or offer to him unless in the relevant territory such an invitation or offer could lawfully be made to him without compliance with any registration or other legal requirements. It is the responsibility of any person wishing to subscribe or to invest in the Fund to satisfy himself as to full observance of the laws of the relevant territory in connection therewith, including the obtaining of any government or other consents which may be required, the satisfaction of any other formalities needing to be observed and the payment of any issuance, transfer or other taxes requiring to be paid in such territory.

No person has been authorized to give any information or make any representations, other than those contained in this prospectus, in connection with the offering of units and, if given or made, such information or representations must not be relied on as having been authorized by the directors. You should ensure that the prospectus you receive have not been modified, amended or restated by any further versions. However, neither the delivery of this prospectus nor the issue of units shall imply that there has been no change in the affairs of the Fund since the date hereof.

Before making an investment in the Fund, investors should seek the advice of their financial, tax and legal advisers

Potential investors in the Fund should inform themselves of the legal requirements that apply to subscribing to units in the Fund and obtain information about exchange control regulations and taxation in their country of citizenship or residency, or in the country in which they are domiciled.

Investors will receive information about the Fund via the mandatory periodic reports with which LYXOR INTERNATIONAL ASSET MANAGEMENT provides its clients.

U.S. Regulations

Units have not been and will not be registered under the Securities Act of 1933 of the United States of America (as amended) (the “**1933 Act**”) or the securities laws of any of the States of the United States. Units may not be offered, sold or delivered directly or indirectly in the United States of America, its territories or possessions or in any State or the District of Columbia (the “**United States**”) or to or for the account or benefit of any “U.S. Person” (as defined below). Any person wishing to subscribe for units will be required to certify they are not a U.S. Person. No U.S. federal or state securities commission has reviewed or approved this prospectus. Any representation to the contrary is a criminal offence.

Units may be offered outside the United States pursuant to Regulation S under the 1933 Act.

No holder of units will be permitted to sell, transfer or assign directly or indirectly (for example, by way of swap or other derivatives contract, participation or other similar contract or agreement) their units to a U.S. Person. Any such sale, transfer or assignment shall be void.

The Fund will not be registered under the United States Investment Company Act of 1940 (as amended) (the “**Investment Company Act**”). Based on interpretations of the Investment Company Act by the staff of the United States Securities and Exchange Commission relating to foreign investment companies, if the Fund restricts its beneficial owners who are U.S. Persons and does not offer or propose to offer any of its securities publicly, it will not become subject to the registration requirements under the Investment Company Act. To ensure this requirement is maintained the directors may require the mandatory repurchase of units beneficially owned by U.S. Persons.

The Volcker Rule

Certain legislative and regulatory changes in the United States are relevant to Société Générale, the Fund and the unitholders. On July 21, 2010, President Obama signed into law the Dodd-Frank Act. Section 619 of the Dodd-Frank Act and its implementing regulations (commonly known as the “**Volcker Rule**”) restrict the ability of a banking entity, such as most entities within the Société Générale Group, from, among other things, acquiring or retaining any equity, partnership or other ownership interest in, or sponsoring (including serving as commodity pool operator for), a “covered fund” (which term includes certain hedge funds and private equity funds). Notwithstanding the foregoing, the Volcker Rule permits non-U.S. banking entities to sponsor, and acquire or retain ownership interests in foreign funds not offered into the United States that meet certain conditions (so-called “foreign excluded funds”). In order for a fund to qualify as a foreign excluded fund, the following requirements must be satisfied: (1) the banking entity must be a non-U.S. banking entity; (2) the fund must be organized or established outside the United States and the ownership interests of the fund must be offered and sold solely outside of the United States; and (3) either the fund must not be a “commodity pool” as defined under the U.S. Commodity Exchange Act, or if it is a commodity pool, it must not have a commodity pool operator that relies on, or could have relied on, CFTC Rule 4.7 as an exemption from certain obligations under the U.S. Commodity Exchange Act.

The statutory effective date of the Volcker Rule is July 21, 2012 and a banking entity, subject to certain exceptions, was required to bring its activities and investments into compliance with the Volcker Rule by the end of the conformance period, on July 21, 2015. The U.S. Federal

Reserve Board has granted two one-year extensions of the conformance period for “legacy covered funds” sponsored or acquired on or before December 31, 2013, extending the conformance period for such funds to July 21, 2017.

Third party unitholders that are themselves banking entities subject to the Volcker Rule in certain circumstances may be unable to acquire or retain ownership interests in the Fund due to the restrictions of the Volcker Rule. A fund that is not advised or sponsored by the Management Company (or any other company within the Société Générale Group) may not be subject to these considerations.

The Management Company and its Affiliated Entities provide no assurances to unitholders regarding the treatment of the Fund under the Volcker Rule. Unitholders should seek legal advice regarding the implications of the Volcker Rule to the investors’ purchase of any units in the Fund.

Affiliated Entity: With respect to any entity, any other entity controlling, controlled by, or under common control with, such entity, as those terms are used under the United States Bank Holding Company Act of 1956.

Dodd-Frank Act: United States Dodd-Frank Wall Street Reform and Consumer Protection Act.

Société Générale Group: Société Générale S.A. and any of its subsidiaries, Affiliated Entities, and/or Associates.

Société Générale S.A. or Société Générale: A French bank, incorporated with limited liability under the laws of France, the registered office of which is at 29, boulevard Haussmann, 75009 Paris, France.

U.S. Person: (A) A “U.S. Person” within the meaning of Regulation S under the Securities Act of 1933 of the United States, as amended; or (B) any person other than a “Non-United States person” as defined in CFTC Rule 4.7 (a) (1) (iv); or (C) a “U.S. Person” within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended.

Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including as applicable the implementing regulations issued thereunder).

V — INVESTMENT RULES

Since the Fund is a “fonds professionnel spécialisé” it is not subject to the investment rules specified in Article articles L. 214-24-55, R.214-32-16 and seq of the Code monétaire et financier (French Monetary and Financial Code) and it may invest in the assets indicated in Article L. 214-154 of the aforesaid code.

Pursuant to the Article L. 214-154 of the Code monétaire et financier, none investment ratios or limits have to be observed.

The procedure for amending these rules is described in Article 5b of the Rules.

VI — RISK MONITORING

The Management Company is required to use a risk management process to monitor measure and manage at all times the risks associated with its investments and their contribution to the overall risk profile of the relevant fund in accordance with applicable laws and regulations as well as market best practices.

VII — RULES FOR ASSET VALUATION AND RECOGNITION

VII-1 — VALUATION RULES

The Fund’s assets are valued in accordance with applicable laws and regulations and in particular the rules of CRC Regulation no. 2014-01 of January 14th, 2014 on the chart of accounts for French mutual funds.

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

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

- Negotiable debt securities (“NDS”) with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate used is that at which equivalent securities are issued and a margin is applied to account for the risk associated with the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the Net Asset Value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate used is that at which equivalent securities are issued and a margin is applied to account for the risk associated with the issuer.

- NDS with a remaining life at the Net Asset Value calculation date that exceeds three months are valued at their current value. The rate used is that at which equivalent securities are issued and a margin is applied to account for the risk associated with the issuer.

Financial futures traded on organized markets are valued at the clearing price on the day prior to the calculation of the Net Asset Value. Options traded on organized markets are valued at their market price on the day preceding Net Asset Value calculation. Over-the-counter derivatives are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.

Bank deposits are valued at their nominal value plus accrued interest.

Warrants, short and medium-term notes, promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.

Temporary purchases and disposals of securities are valued at the market price.

Shares and units in French collective investment funds are valued at the last known Net Asset Value at the date the Fund's Net Asset Value is calculated.

Shares and units in foreign investment funds are valued at the last known Net Asset Value or at the last known Net Asset Value at the date the Fund's Net Asset Value is calculated. If no such Net Asset Value can be obtained, the Management Company may use an estimated value provided by the Management Company of the underlying fund or by its depositary when this estimated value seems to be closer to the actual market value of the underlying fund's units or shares.

Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.

The exchange rates used to value financial instruments denominated in a currency other than the Fund's base currency are those published at WM/Reuters close the day of the Fund's Net Asset Value.

VII-2 ACCOUNTING METHOD FOR TRADING FEES

Trading expenses are recorded separately from transactions.

VII-3 ACCOUNTING METHOD: INCOME FROM FIXED-INCOME SECURITIES

Not applicable

VII-4 INCOME DISTRIBUTION POLICY

For more information see the section entitled "CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS".

Capitalized income is recorded using the coupons received method.

Distribution may impact all or part of the distributable amount, generated by the earnings (coupons, dividend or any other distributable earnings) and/or net capital gain of the current and/or the precedent fiscal years, in accordance with the French Monetary and Financial Code. Non distributed realized net appreciation from the previous fiscal year can be wholly or partially capitalized and/or carried forward in the next fiscal years. In case of distribution of the distributable amounts, the Management Company will do the distribution after the end of the fiscal year. However, the Management Company may decide to distribute one or several interim amount(s) throughout the fiscal year.

VII-5 ACCOUNTING CURRENCY

The Fund's accounting currency is the EURO.

VIII — ADDITIONAL INFORMATION

The Fund was declared to the *Autorité de marchés financiers* on 19 April 2016 and was launched on the 19 April /2016.

The most recent prospectus, annual and periodic reports will be sent within one week to Fund unitholders who request these documents in writing from:

LYXOR INTERNATIONAL ASSET MANAGEMENT
17, cours Valmy
F-92800 PUTEAUX - FRANCE
E mail: client-services@lyxor.com

Requests for more information or explanations may be made via the website at www.lyxorfunds.com
The prospectus was published on 2 June 2017.

The AMF's website at www.amf-France.org provides additional information on regulatory documents and the protection of investors. This Prospectus must be made available to investors prior to subscription.

FIDEA PROTECTION FUND

FUND RULES

SECTION 1 - ASSETS AND UNITS

Article 1 - Co-ownership of units

The rights of the co-owners of the Fund are represented by units, each of which represents the same proportion of the Fund's assets. Each unitholder has a co-ownership right to the Fund's assets in proportion to the number of units owned.

The period of the Fund is 99 years as from the Inception Date except in the event of early dissolution or extension as set forth in these rules.

The Fund reserves the right to combine or divide units.

The units may be divided, if so decided by the Management Company, into thousandths known as unit fractions.

Rules pertaining to the issue and redemption of units shall be applicable to fractional units, whose value shall be proportional to that of the unit they represent. All of the other provisions of these rules that apply to the units shall also apply to unit fractions without it being necessary to specify this, unless indicated otherwise. Finally, the Management Company's executive board may, at its sole discretion, carry out the division of units through the creation of new units that are allocated to unitholders in exchange for old units.

Article 2 - Minimum amount of assets

Units cannot be redeemed if the Fund's assets fall below 300 000 Euros. If this happens, the Management Company will have thirty days to either merge or dissolve the Fund, unless during this time the asset value rises back above this amount.

Article 3 - Unit issuance and redemption

Unit subscription, issuance and purchase

Units shall be issued at their net asset value plus any subscription fees that may be due.

The subscription, issuance and acquisition of units are also subject to the following conditions:

- Subscription orders shall be executed under the conditions and according to the procedures defined in the prospectus.
 - Subscription orders must be fully paid up and received by the entity that processes subscription and redemption orders at the latest 5 Business Days (as defined in the Prospectus) following the Net Asset Value Date
- This payment can be made in cash.

Unit redemption

Units shall be redeemed at their net asset value less any redemption fee that may be applicable.

The redemption of units is also subject to the following terms:

- Units shall be redeemed as indicated in the prospectus.
- Units shall be redeemed exclusively in cash, except if the unitholders have asked to be paid in securities and the Management Company agrees to it. The redemption price shall be paid by the depositary within six (6) Business Days after the Net Asset Value Date (as defined in the prospectus). However, if due to exceptional circumstances, Fund assets must be sold before units can be redeemed, this time may be extended to up to 30 days.
- Except in the event of succession or inter vivos distribution of an estate between heirs, the sale or transfer of units between unitholders, or from a unitholder to a third party shall be considered to be a redemption followed by a subscription. If sale or transfer is made to a third party, the amount of such sale or transfer shall, if necessary, be supplemented by the beneficiary until the minimum subscription requirement specified in the full prospectus (if any) is reached.
- The Management Company may temporarily suspend the redemption of the fund's units and the issuing of new units, when this is required by exceptional circumstances, is in the interest of unitholders and is in accordance with the provisions of the full prospectus.
- If the Fund's net assets fall below the minimum regulatory amount, no units shall be redeemed.

Entity responsible for ensuring that subscribers or purchasers of units in the Fund meet eligibility criteria

The Management Company or the entity designated for this purpose ensures that criteria for the capacity of subscribers and purchasers of units in the Fund were met and that they have received information required under Articles 423-30 and 423-31 of the general Regulation of the Autorité des marchés financiers. It also ensures the existence of the written statement specified in Article 423-31 of the general Regulation of the Autorité des marchés financiers.

Article 3b: The Fund's investment rules and limits

Since the Fund is a "fonds professionnel spécialisé" it is not subject to the investment rules specified in articles L. 214-24-55, R.214-32-16 and seq of the Code monétaire et financier (French Monetary and Financial Code) and it may invest in the assets indicated in Article L. 214-154 of the aforesaid code.

Pursuant to the Article L. 214-154 of the Code monétaire et financier, none investment ratios or limits have to be observed. The Fund is exclusively subject to the investment limits specified in Section III "FUND OPERATION AND MANAGEMENT".

Article 4 - Calculation of net asset value

The net asset value of the units shall be calculated in accordance with the valuation rules indicated in the prospectus. Contributions in kind shall consist solely of securities or contracts that French mutual funds are authorized to invest in and shall be valued in accordance with the valuation rules used to calculate Net Asset Value.

SECTION 2 - FUND OPERATION

ARTICLE 5 – THE MANAGEMENT COMPANY

The management company shall manage the Fund in compliance with the Fund's Investment Strategy. The management company is authorized to make any decision to change the investment strategy or the investment policy of the alternative investment fund, for the benefit of unitholders, in compliance with laws and regulations. The management company shall act in all circumstances in the sole interest of the unitholder and has the exclusive right to exercise the voting rights attached to the securities held in the Fund.

Article 5b – Operating rules

The instruments and eligible securities as assets of the Fund and the investment strategy of the Fund are described in the Prospectus. The management Company when deciding the modifications of the investment objective and the investment strategy of the Fund will duly inform the unitholders in a reasonable time. All the other modifications of the prospectus or the funds rules will be made at the management company discretion.

ARTICLE 6 – The depositary

The depositary shall provide the services required under applicable laws and regulations and the services entrusted to it contractually by the Management Company. The depositary shall ensure that the Management Company's decisions are proper and shall take any protective measures it deems necessary. The depositary shall inform the Autorité des marchés financiers (AMF) of any disputes with the Management Company.

Article 7 – The auditor

An auditor shall be appointed for a term of six fiscal years by the Management Company's governance body, with the approval of the Autorité des marchés financiers. The auditor shall certify that accounts are true and fair.

The auditor may be reappointed. It shall inform the Autorité des marchés financiers as soon as possible of any event or decision concerning the collective investment scheme of which it gains knowledge in the course of its work that may:

- 1° constitute an infringement of applicable laws or regulations and which may have a significant effect on the Fund's financial situation, earnings or assets
- 2° compromise the operation of the Fund's business
- 3° result in a qualified opinion or a refusal to certify the accounts.

The valuation of assets and the determination of exchange ratios during transformations, mergers or demergers shall be carried out under the auditor's supervision.

The auditor shall determine the value of all contributions in kind.

The auditor shall certify the composition of the Fund's assets and other information before it is reported.

The auditor's fees shall be agreed between the auditor and Management Company's "Directoire" on the basis of the estimated auditing work.

The auditor shall validate the accounting statements serving as the basis for the payment of interim dividends.

The auditor's fees shall be included in the management expenses.

Article 8 - Financial statements and the management report

At the end of each financial year, the Management Company shall prepare the financial statements and the management report on the past year for the Fund, and if necessary for each sub-fund.

The Management Company shall draw up an inventory of the Fund's assets at least every six months and under the depositary's supervision.

The Management Company shall keep these documents available to unitholders for four months after the end of the fiscal year and shall inform them of the amount of income to which they are entitled. These documents shall be either mailed to unitholders at their express request or made available to them at the office of the Management Company or of any other entity selected by the Management Company for this purpose.

SECTION 3 - PROCEDURES FOR ALLOCATING INCOME AND DISTRIBUTIONS

Article 9 - Procedures for allocating income and distributions

The net income for the year is the sum of the interest, arrears, dividends, premiums, bonuses, directors' fees and any other proceeds from the securities in the Fund's portfolio, plus any proceeds from sums temporarily made available, after deduction of management expenses and interest expenses.

An AIF may distribute the following amounts:

- 1° The net income for the year, plus retained earnings and plus or minus the net revenue accruals for the year
- 2° Realized capital gains, net of expenses, minus realized capital losses, net of expenses, recognized for the year, plus similar net capital gains recognized over the previous years that were not distributed or accumulated, minus or plus the balance of capital gains accruals.

The amounts indicated in points 1) and 2) above may be distributed independently of each other, in whole or in part.

The distributable amounts shall be paid within five months after the end of the fiscal year.

The Management Company may opt to reinvest the income in the assets of the Fund or to distribute them one or several times a year. The Management Company may adopt the following policies;

- **Pure accumulation:** all distributable income shall be full reinvested, with the exception of those amounts that must be distributed by law.
- **Distribution:** available amounts are fully distributed, through the potential interim accounts.
- **Accumulation and/or Distribution:** each year, the Management Company may decide on how to allocate the income of the Fund. The Management Company may decide, throughout the fiscal year, to distribute one or several interim accounts within the limit of available amounts recorded at the date of the decision. Undistributed available amounts will be reinvested, except realized net capital gains which are carried forward by the on the next fiscal years.

The appropriation of earnings and other distributable amounts is described in detail in the prospectus.

SECTION 4 - MERGER, DEMERGER, DISSOLUTION & LIQUIDATION

Article 10 - Merger - Demerger

The Management Company may transfer all or part of the assets in the Fund to another fund or FIA, or split the Fund into two or more funds.

Such mergers or splits may only be carried out one month after unitholders have been notified. They give rise to the issuance of a new confirmation indicating the number of units held by each unitholder.

Article 11 - Winding up – Extension

If the Fund's assets (or the assets of a sub-fund if applicable) fall below and remain less than the amount indicated in Article 2 of the Fund's Rules for a period of thirty days, the Management Company shall inform the Autorité des marchés financiers and shall dissolve the Fund (or sub-fund if applicable) unless it is merged with another AIF.

The Management Company may dissolve the Fund before it reaches its term. In this case it must inform the unitholders of its decision and subscription or redemption orders will not be accepted after this date.

The Management Company shall also dissolve the Fund if the redemption of all units has been requested, the depositary ceases its activity and no other depositary has been appointed or if the Fund reaches its initial term and said term has not been extended, or upon expiry of the Fund's extended term.

The Management Company shall inform the AMF by mail of the planned dissolution date and procedure. It will then send the AMF the auditor's report.

The Management Company may decide to extend the Fund's term with the depositary's approval. It shall make this decision at least three months before the Fund's term is to expire and inform unitholders and the AMF of this decision.

Article 12 - Liquidation

In the event of dissolution, the Management Company or any authorized third party shall manage the liquidation. Failing this, a liquidator shall be appointed by the courts at the request of any unitholder. For this purpose liquidators shall be entrusted with full powers to sell assets, pay off any creditors and distribute the remaining balance among the unitholders in the form of cash or securities.

The auditor and the depositary shall continue to perform their duties until the liquidation is completed.

As indicated in the prospectus, the Management Company may dissolve the Fund if after four consecutive Net Asset Value Dates, the Fund's Net Asset Value is still less than 35,000,000 euros (thirty five million euros).

SECTION 5 - DISPUTES

Article 13 – Competent courts - Election of domicile

Any disputes concerning the Fund that may arise during its lifetime or upon its liquidation, either between the unitholders or between unitholders and the Management Company or the depositary, shall be subject to the jurisdiction of the competent courts.