PROSPECTUS

MULTI UNITS FRANCE

MULTI UNITS FRANCE	PROSPECTUS A SICAV FUND COMPLIANT WITH EUROPEAN STANDARDS

MANAGEMENT AND OPERATIONS: GENERAL CHARACTERISTICS

LEGAL FORM
A French SICAV fund formed in France

NAME
MULTI UNITS FRANCE.

LEGAL STRUCTURE AND MEMBER STATE IN WHICH THE FUND WAS CREATED
MULTI UNITS FRANCE is a French SICAV mutual fund, registered in France.
Registered office address: 91-93, boulevard Pasteur, 75015 Paris, FRANCE.
Registered in the Nanterre trade register under No. 441 298 163.

DATE ESTABLISHED AND INTENDED TERM
The MULTI UNITS FRANCE fund was established on 4 March 2002 for a period of 99 years.

PUBLICATION DATE
This prospectus was published on 3 January 2022.

KEY INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

SUB-FUND NO. 5: Lyxor 10Y US Treasury Daily (-2x) Inverse UCITS ETF

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

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

SUB-FUND NO. 6: LYXOR FTSE ITALIA PMI PIR 2020 (DR) UCITS ETF

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

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

SUB-FUND NO. 7: Lyxor German Mid-Cap MDAX UCITS ETF

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

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

SUB-FUND No. 8: Lyxor Hwabao WP MSCI China A (DR) UCITS ETF

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

Acc	FR0011720911	Accumulation	USD	Open to all investors	The USD equivalent of EUR 1,000,000 on the primary market N/A on the secondary market[(1)]	Euronext Paris, London Stock Exchange, Borsa Italiana, Six Swiss Exchange (Zurich)
Dist	FR0011720937	Accumulation	USD	Open to all investors	The RMB equivalent of EUR 1,000,000 on the primary market N/A on the secondary market[(1)]	N/A

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

SUB-FUND No. 9: Lyxor MSCI World Ex EMU UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption redemption (primary market) or for purchase/sale (secondary market)	Listing exchange
Acc	FR0013209921	Accumulation	USD	Open to all investors	The USD equivalent of EUR 100,000 on the primary market N/A on the secondary market[(1)]	Borsa Italiana
Dist	FR0013209939	Accumulation and/or Distribution	USD	Open to all investors	The USD equivalent of EUR 100,000 on the primary market N/A on the secondary market[(1)]	N/A
Monthly Hedged to EUR - Acc	FR0013209947	Accumulation	EUR	Open to all investors	EUR 100,000 on the primary market N/A on the secondary market[(1)]	N/A
Monthly Hedged to EUR - Dist	FR0013209954	Accumulation and/or Distribution	EUR	Open to all investors	EUR 100,000 on the primary market N/A on the secondary market[(1)]	N/A
Monthly Hedged to GBP - Acc	FR0013209962	Accumulation	GBP	Open to all investors	The GBP equivalent of EUR 100,000 on the primary market N/A on the secondary market[(1)]	N/A
Monthly Hedged to GBP - Dist	FR0013209970	Accumulation and/or Distribution	GBP	Open to all investors	The GBP equivalent of EUR 100,000 on the primary market N/A on the secondary market[(1)]	N/A
Monthly Hedged to CHF - Acc	FR0013209988	Accumulation	CHF	Open to all investors	The CHF equivalent of EUR 100,000 on the primary market N/A on the secondary market[(1)]	N/A
Monthly Hedged to CHF - Dist	FR0013209996	Accumulation and/or Distribution	CHF	Open to all investors	The CHF equivalent of EUR 100,000 on the primary market N/A on the secondary market[(1)]	N/A

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

Sub-fund No. 10: LYXOR DJ GLOBAL TITANS 50 UCITS ETF

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

					(secondary market)	
Dist	FR0007075494	Accumulation and/or Distribution	EUR	Open to all investors	100,000 EUR on the primary market	Euronext Paris, Wiener Boerse (Vienna), Borsa Italiana (Milan), London Stock Exchange
					N/A on the secondary market(1)	

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

Sub-fund No. 11: LYXOR SMI DAILY (-2X) INVERSE UCITS ETF

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

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

Sub-fund No. 12: LYXOR DAILY SHORTDAX X2 UCITS ETF

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

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

Sub-fund No. 13: LYXOR IBEX 35 DOBLE APALANCADO DIARIOUCITS ETF

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

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

Sub-fund No. 14: LYXOR IBEX 35 DOBLE INVERSO DIARIO UCITS ETF

Share class	**ISIN code**	**Allocation of distributable amounts**	**Currency**	**Eligible investors**	**Minimum amount for subscription/ redemption redemption (primary market) and**	**Listing exchange**

					purchase/sale (secondary market)	
Acc	FR0011036268	Accumulation	EUR	Open to all investors	EUR 100,000 on the primary market. N/A on the secondary market(1)	Bolsa de Madrid (Spain)

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

Sub-fund No. 15: LYXOR NASDAQ-100 DAILY (2X) LEVERAGED UCITS ETF

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

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

Sub-fund No. 16: LYXOR PEA PME (DR) UCITS ETF

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

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

Sub-fund No. 17: LYXOR RUSSELL 1000 GROWTH UCITS ETF

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

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

Sub-fund No. 18: LYXOR RUSSELL 1000 VALUE UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)	Listing exchanges
Acc	FR0011119205	Accumulation	USD	Open to all investors	On the primary market, the US	Luxembourg Stock Exchange (Luxembourg),

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

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

Sub-fund No. 19: LYXOR CAC 40 DAILY (2X) LEVERAGED UCITS ETF

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

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

Sub-fund No. 20: LYXOR CAC 40 DAILY (-2X) INVERSE UCITS ETF

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

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

Sub-fund No. 21: LYXOR CAC 40 DAILY (-1X) INVERSE UCITS ETF

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

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

Sub-fund No. 22: LYXOR CAC MID 60 (DR) UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)	Listing exchanges
Dist	FR0011041334	Distribution and/or Accumulation	EUR	Open to all investors	EUR 100,000 on the primary market	Euronext (Paris)

					N/A on the secondary market(1)	

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

Sub-fund No. 23: Lyxor Euro Overnight Return UCITS ETF

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

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

Sub-fund No. 24: Lyxor MSCI Water ESG Filtered (DR) UCITS ETF

Share class	**ISIN code**	**Allocation of distributable amounts**	**Currency**	**Eligible investors**	**Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)**	**Listing exchanges**
Dist	FR0010527275	Accumulation and/or Distribution	EUR	Open to all investors	100,000 euros on the primary market N/A on the secondary market(1)	Euronext Paris, Deutsche Boerse (Frankfurt), Borsa Italiana (Milan), Bolsa de Madrid, Six Swiss Exchange (Zurich), London Stock Exchange
Acc	FR0014002CH1	Accumulation	EUR	Open to all investors	100,000 euros on the primary market N/A on the secondary market(1)	Euronext Paris, Deutsche Boerse (Frankfurt), Borsa Italiana (Milan), Bolsa de Madrid, Six Swiss Exchange (Zurich), London Stock Exchange

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

Sub-fund No. 25: Lyxor EURO STOXX 50 Daily (-2X) Inverse UCITS ETF

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

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

Sub-fund No. 26: Lyxor EURO STOXX 50 Daily(2X) Leveraged UCITS ETF

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

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

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

Sub-fund No. 27: Lyxor EURO STOXX 50 Daily(-1X) Inverse UCITS ETF

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

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

Sub-fund No. 28: Lyxor FTSE MIB Daily(-2X) Inverse(XBEAR) UCITS ETF

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

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

Sub-fund No. 29: Lyxor FTSE MIB Daily (2X) Leveraged UCITS ETF

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

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

Sub-fund No. 30: Lyxor FTSE MIB Daily(-1X) Inverse (BEAR) UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)	Listing exchanges
Acc	FR0010446146	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market N/A on the secondary market(1)	Borsa Italiana (Milan)

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

Sub-fund No. 31: Lyxor Bund Daily (-2x) Inverse UCITS ETF

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

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

Sub-fund No. 32: Lyxor FTSE MIB (DR) UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)	Listing exchanges
Dist	FR0010010827	Accumulation and/or Distribution	EUR	Open to all investors	100,000 EUR on the primary market N/A on the secondary market(1)	Borsa Italiana (Milan) Euronext (Paris), London Stock Exchange
Acc	FR0014002H76	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market N/A on the secondary market(1)	N/A

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

Sub-fund No. 33: Lyxor IBEX 35 (DR) UCITS ETF

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

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

Sub-fund No. 34: Lyxor MSCI Europe (DR) UCITS ETF

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

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

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

Sub-fund No. 35: Lyxor MSCI USA ESG (DR) UCITS ETF

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

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

Sub-fund No. 36: Lyxor MSCI World UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)	Listing exchanges
Acc	FR0014003IY1	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market N/A on the secondary market(1)	Borsa Italiana
Monthly Hedged to EUR - Acc	FR0014003N93	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market N/A on the secondary market(1)	Euronext (Paris)
Dist	FR0010315770	Accumulation and/or Distribution	EUR	Open to all investors	100,000 EUR on the primary market N/A on the secondary market(1)	Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan), London Stock Exchange, Six Swiss Exchange (Zurich)
Monthly Hedged to EUR - Dist	FR0011660927	Accumulation and/or Distribution	EUR	Open to all investors	100,000 EUR on the primary market	Euronext (Paris)

					N/A on the secondary market(1)	
Monthly Hedged to USD - Dist	FR0011669845	Accumulation and/or Distribution	USD	Open to all investors	100,000 EUR on the primary market	Luxembourg Stock Exchange, London Stock Exchange
					N/A on the secondary market(1)	
I - EUR	FR0013465804	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market	Euronext (Paris)
					N/A on the secondary market(1)	

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

Sub-fund No. 37: Lyxor MSCI Emerging Markets UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)	Listing exchanges
Acc	FR0010429068	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market	Deutsche Boerse (Frankfurt); Euronext (Paris), Borsa Italiana (Milan) London Stock Exchange, Singapore Exchange, Six Swiss Exchange (Zurich), Luxembourg Stock Exchange
					N/A on the secondary market(1)	
Acc	FR0010435297	Accumulation	USD	Open to all investors	100,000 EUR on the primary market	London Stock Exchange, Singapore Exchange, Six Swiss Exchange (Zurich), Luxembourg Stock Exchange
					N/A on the secondary market(1)	
I - EUR	FR0013465796	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market	Euronext (Paris)
					N/A on the secondary market(1)	

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

Sub-fund No. 38: Lyxor Japan(TOPIX) (DR) UCITS ETF

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

						Italiana (Milan)
					N/A on the secondary market(1)	
Daily Hedged to EUR - Acc	FR0011871045	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market	N/A
					N/A on the secondary market(1)	

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

Sub-fund No. 39: Lyxor CAC 40 (DR) UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)	Listing exchanges
Dist	FR0007052782	Accumulation and/or Distribution	EUR	Open to all investors	100,000 EUR on the primary market	Euronext Paris (France), London Stock Exchange
					N/A on the secondary market(1)	
Acc	FR0013380607	Accumulation	EUR	Open to all investors	100,000 EUR on the primary market	N/A
					N/A on the secondary market(1)	
J-EUR	FR0011122233	Accumulation and/or Distribution	EUR	Open to all investors but more specifically intended for institutional investors	100,000 EUR on the primary market	N/A
					N/A on the secondary market(1)	

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

Sub-fund No. 40: Lyxor EURO STOXX 50 (DR) UCITS ETF

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

Acc Daily Hedged to USD - Dist	FR0012399749	Accumulation and/or distribution	USD	Open to all investors	100,000 EUR on the primary market N/A on the secondary market[(1)]	N/A
Daily Hedged to GBP - Dist	FR0012399756	Accumulation and/or distribution	GBP	Open to all investors	100,000 EUR on the primary market N/A on the secondary market[(1)]	N/A
Daily Hedged to CHF - Dist	FR0012399764	Accumulation and/or distribution	CHF	Open to all investors	100,000 EUR on the primary market N/A on the secondary market[(1)]	N/A
Daily Hedged to USD - Acc	FR0012399806	Accumulation	USD	Open to all investors	100,000 EUR on the primary market N/A on the secondary market[(1)]	London Stock Exchange (London), Luxembourg Stock Exchange (Luxembourg)
Daily Hedged to GBP - Acc	FR0012399772	Accumulation	GBP	Open to all investors	100,000 EUR on the primary market N/A on the secondary market[(1)]	London Stock Exchange (London), Luxembourg Stock Exchange (Luxembourg)
Daily Hedged to CHF - Acc	FR0012399731	Accumulation	CHF	Open to all investors	100,000 EUR on the primary market N/A on the secondary market[(1)]	SIX Swiss Exchange (Zurich)

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

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Sub-fund No. 41: Lyxor PEA Obligations d’État Euro UCITS ETF

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

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

Sub-fund No. 42: Lyxor MSCI Greece UCITS ETF

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

					 N/A on the secondary market[(1)]	Borsa Italiana (Milan)

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

Sub-fund No. 43: Lyxor MSCI India UCITS ETF

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

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

Sub-fund No. 44: Lyxor MSCI New Energy ESG Filtered (DR) UCITS ETF

Share class	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription/ redemption (primary market) or purchase/sale (secondary market)	Listing exchanges
Dist	FR0010524777	Accumulation and/or Distribution	EUR	Open to all investors	EUR 100,000 on the primary market N/A on the secondary market[(1)]	Euronext Paris, Deutsche Boerse (Frankfurt), Borsa Italiana (Milan), Six Swiss Exchange (Zurich)
Acc	FR0014002CG3	Accumulation	EUR	Open to all investors	EUR 100,000 on the primary market N/A on the secondary market[(1)]	Euronext Paris, Deutsche Boerse (Francfort), Borsa Italiana (Milan), Six Swiss Exchange (Zurich)

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

Sub-fund No. 45: Planet Monde

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

Sub-fund No. 46: Lyxor Green Bond Indiciel

Share class	**ISIN code**	**Allocation of distributable amounts**	**Currency**	**Eligible investors**	**Minimum amount for subscription or redemption**
Acc	FR0014000W12	Accumulation	EUR	Open to all investors	10 EUR

WHERE TO OBTAIN THE MOST RECENT ANNUAL AND INTERIM REPORTS

Shareholders will be sent the most recent annual documents and the asset inventory within eight business days after submitting a written request to:
LYXOR INTERNATIONAL ASSET MANAGEMENT.
91-93, boulevard Pasteur, 75015 Paris – France
E-mail: contact@lyxor.com.
More information can be requested on Lyxor's website atwww.lyxoretf.com

SERVICE PROVIDERS

ASSET MANAGEMENT BY DELEGATION / MANAGEMENT COMPANY

LYXOR INTERNATIONAL ASSET MANAGEMENT.(hereafter the "**Delegated Asset Manager**" or the "**Management Company**").
A French simplified joint-stock company (Société par Actions Simplifiée - SAS.
Registered office: 91-93, boulevard Pasteur, 75015 Paris – France .

Remuneration

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

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

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

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

THE DEPOSITARY AND CUSTODIAN

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

The Depositary's duties and potential conflicts of interest

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

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

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

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

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

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

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

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

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

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

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

TRANSFER AGENT AND REGISTRAR

By delegation from Lyxor International Asset Management:
SOCIÉTÉ GÉNÉRALE.
A credit institution founded on 4 May 1864 by special decree of Napoleon III.
Registered office: 29, bd Haussmann - 75009 Paris – FRANCE.
Postal address: 32 rue du champ de tir - 44000 Nantes - France

AUDITOR

PRICEWATERHOUSECOOPERS AUDIT.
A French joint-stock company.
Registered office: 3, rue de Villiers - 92208 Neuilly-sur-Seine - France.
Signatory: Benjamin Moïse.

ADMINISTRATION AND ACCOUNTING

LYXOR INTERNATIONAL ASSET MANAGEMENT will delegate the Sub-fund's administration and accounting to:
Société Générale
A credit institution founded on 4 May 1864 by special decree of Napoleon III.
Registered office:29, bd Haussmann - 75009 Paris – FRANCE.

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

MARKET MAKER

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

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

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

MEMBERS OF THE EXECUTIVE AND SUPERVISORY BODIES

BOARD OF DIRECTORS
Chairman and Director: Arnaud Llinas.
Director: Lyxor Asset management, represented by François Millet.
Director: Société Générale, represented by Tanguy Aumon
Director: Gregory Berthier

MANAGING DIRECTOR

Arnaud Llinas

SHARE CHARACTERISTICS

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

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

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

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

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

BALANCE SHEET DATE

The last Business Day in France in October.

First balance sheet date: 31 October 2005.

PRIMARY MARKET TRANSACTIONS

The shares of Sub-funds with names that end in "UCITS ETF" may be subscribed and redeemed in the primary market.

The primary market referred to below is the market in which the Sub-fund issues shares to Authorised Participants (**AP**) or redeems them from APs subject to the terms and conditions set out below (hereafter the "**Primary Market**").

The Management Company has entered into an agreement with each AP that sets forth the terms by which the AP may subscribe and redeem the shares of the Sub-funds on the Primary Market.

1. Placement of AP Primary Market orders

APs may place subscription or redemption orders via an online trading platform or directly by telephone. In either case, they must submit an order form (the "**Form**"). On a given Primary Market Day (as this term is defined in each Sub-fund's relevant appendix) the Forms must be received by 5:00 pm or by the cut-off time that is specified in the "SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET" section of the Sub-fund's relevant appendix (the "**Specified Cut-Off Time**") to be eligible for processing that day. Forms received on a Primary Market Day after 5:00 p.m. or after the Specified Cut-Off Time will be deemed to have been received by 5:00 p.m. or by the Specified Cut-Off Time on the following Primary Market Day.

APs will receive a confirmation of their subscription or redemption order with details of the transaction (the "**Trade Confirmation**"). The APs must check the Trade Confirmation to verify that their subscription or redemption order was processed correctly.

The securities and/or cash to be provided for a subscription or a redemption order must be delivered on the Business Day specified in the Trade Confirmation. If no time limit is specified in the Trade Confirmation, the applicable settlement/delivery time will be the time indicated in the Sub-fund's relevant appendix. The Management Company reserves the right to extend the settlement/delivery time of a redemption order to a maximum of five Business Days.

The use of the online trading platform is subject to the Management Company's prior consent and must comply with the applicable laws and regulations. The Forms may be obtained from the Management Company or the Depositary upon request.

The Depositary and the Management Company reserve the right to have APs provide any specific information or document that may be requested. APs must inform the Depositary of any change in their situation / information and provide any additional documents the Depositary and/or the Management Company may request in relation to such change. An AP's registration information and payment instructions cannot be modified until the Depositary has received the original documents.

In accordance with anti-money laundering and anti-terrorist financing regulations, APs will be required to provide the Management Company and the Depositary with identity documents and any other relevant documents that may be necessary.

It is also agreed that neither the Management Company nor the Depositary shall be liable to an AP for any loss or damage arising from the failure to process a subscription or redemption order or from the delayed processing thereof if the AP has failed to provide the information requested by the Management Company or the Depositary within the prescribed time limit and/or if such information is incomplete.

2. Rejection of AP Primary Market orders

APs are solely responsible for the information they provide in the Form. Once accepted, Forms are irrevocable, unless otherwise agreed by the Management Company. Neither the Management Company nor the Depositary shall be liable for losses arising from errors and/or delays and/or failures in (i) the transmission of the Forms, or in (ii) the transmission of any subscription or redemption order placed on the online trading platform.

The Sub-fund's Board of Directors and/or the Management Company may decide (i) to suspend the issuance and redemption of shares or to (ii) limit the share redemptions for one or more Sub-funds subject to the terms specified in the relevant appendix of the Sub-fund(s) and in the Sub-fund's Articles of Incorporation.

The Management Company may also, at its sole discretion, reject or cancel in whole or in part an order to subscribe shares that is placed by an AP that has experienced an Insolvency Event, as defined below.

A natural or a legal person is considered to experience an "**Insolvency Event**" when (i) a court order has been issued or a resolution has been passed for the person's liquidation or bankruptcy; (ii) a liquidator, an administrator or the equivalent has been appointed to liquidate or administer all or part of the person's assets under a court-ordered administration; (iii) the person enters into an arrangement with one or more of its creditors or is considered to be insolvent; (iv) the person terminates or threatens to terminate the person's business or a substantial part thereof, or makes a substantial change in the nature of its business or threatens to do so; (v) an event occurs, in any jurisdiction, the effect of which is equivalent to any of the events referred to in points (i) to (iv) above, or (vi) the Management Company believes in good faith that any of the above events is likely to occur.

3. Adjustment of AP Primary Market orders

The Management Company may decide, on a case-by-case basis, to redeem an AP's redemption order exclusively in kind or in cash (or a combination of both), (i) by simply notifying the AP of this if the AP has experienced an Insolvency Event or if the Management Company reasonably believes that the AP represents a credit risk, or (ii) in all other cases, with the AP's consent.
A redemption order will not be processed unless payment is to be made into an account that is in the AP's name.

4. Cash and in-kind transactions

Subject to the Management Company's consent, subscription and redemption orders for each Sub-fund may be accepted and settled with an in-kind, cash or directed cash transaction (or any combination of these three).

Entry and exit fees may be charged to APs in respect of their subscription, redemption and share-conversion orders.

For a given Sub-fund, the nature and amount of these entry/exit fees depend on whether the transaction type is in-kind, cash or directed cash, as explained below. Since the type of transaction determines the mode and terms of trade execution that are used to adjust the basket of securities that constitutes the Sub-fund's underlying assets, the entry and exit fees that are charged to APs reflect the differences between trade execution modes and their associated costs [(1)].

Regardless of the transaction type, the amount of entry and exit fees is the estimated difference between:

- the sums the Sub-fund pays or receives to adjust its basket of assets (on the Sub-fund's balance sheet) so that it may accommodate the transaction with the AP, and
- the amounts (excluding entry/exit fees) paid by or to the AP for the number of Sub-fund shares subscribed or redeemed multiplied by the Sub-fund's net asset value on the date of the transaction.

In order to minimise the tracking error between the Sub-fund's performance and that of its Benchmark Index, the Management Company's estimate of the fees charged to APs will aim to be as accurate and structurally unbiased as possible.

However, there may be differences between the amounts of entry and exit fees charged to APs and the actual costs of adjusting the portfolio due to, inter alia, (i) the estimation of the amount of fees and the rounding-off this entails, and (ii) the actual conditions of the adjustment of the Sub-fund's basket of securities. The actual conditions of the adjustment of the securities basket may be affected by, inter alia, (a) the closing prices of the underlying securities involved in the adjustment transactions, which in particular have an impact on the amount of taxes and exchange fees paid; and/or (b) any circumstance that may prevent or delay the execution and/or settlement of the adjustment transactions of the Sub-fund's basket of securities.

(1) These costs (hereinafter the "**Theoretical Costs**") may include, inter alia, the expected transaction costs of the subscription or redemption, all stamp duties, taxes, bank charges, foreign exchange charges, interest, custodian fees (on sales and purchases), transfer fees, registration fees and any other applicable taxes, fees or charges.

The Management Company will provide APs with a daily portfolio composition file (the "**PCF**") for each Sub-fund.

4.1 <u>In-kind transactions</u>

For each in-kind transaction, the Management Company will inform the AP of the nature of the Investments (as defined below) and/or the amount of cash to be paid by the AP (in the case of a subscription) or by the Management Company (in the case of a redemption), in exchange for the shares.

The term "**Investments**" means the securities/financial instruments referred to in Article L214-20 of the Monetary and Financial Code which are consistent with the Sub-fund's investment strategy and objective, and for which the AP is contemplating the subscription or redemption order.

4.2 <u>Cash transactions</u>

The Management Company may accept subscriptions and redemptions in cash. The method for calculating the applicable fees is indicated in the Fees and Charges section of each Sub-fund's prospectus.

APs which wish to redeem shares in cash must inform the Management Company and the Depositary in writing and take the necessary steps to transfer their shares to the Sub-fund's account within the redemption settlement period specified in the Trade Confirmation.

4.3 <u>Directed cash transactions</u>

The Management Company may accept directed cash transactions. In this case, the AP may request that (i) the transactions in the underlying securities and/or (ii) the foreign exchange transactions that are necessary to execute its subscription and redemption order be executed in a specific manner by the relevant Sub-fund manager. The Management Company may agree to the AP's request while observing the best interests of the Sub-fund's shareholders. The Management Company shall not be liable if the execution request is not carried out as intended by the AP.

The method for determining the fees in this case is described in the Fees and Charges section of each Sub-fund's prospectus.

If an AP requests that the securities and/or foreign exchange transactions be traded or executed with a specific broker, the Management Company may, at its sole discretion, trade the securities and/or execute the foreign exchange transactions with this broker. APs which wish to select a specific broker are required to contact this broker to arrange the trade and/or transaction before it is undertaken by the Management Company.

The Management Company shall not be liable if the trading of securities and/or the foreign exchange transactions with the broker thus selected, and consequently the APs subscription or redemption, are not completed due to an omission, error, failure or delay in settlement/delivery by the AP or said broker.

In the event that the AP or the selected broker defaults or changes the terms of all or part of the trade and/or transaction on the underlying securities and/or foreign exchange, the AP shall bear all of the risks and costs associated with this. In this event, the Management Company reserves the right to complete the trade and/or transaction with another broker and to modify the terms of the AP's subscription or redemption to compensate for the default and the change in the terms of execution.

5. <u>Failed delivery</u>

In the event that an AP fails to deliver (i) the Investments and/or the cash amount required for a subscription in kind, or (ii) the cash amount required for a cash subscription, within the settlement period specified in the Trade Confirmation, the Management Company reserves the right to cancel the subscription order and the AP shall indemnify the Sub-fund and the Management Company for any loss they may have suffered as a result of the AP's failure to deliver the required Investments and/or cash amount within the time specified.

The Management Company may, in its sole discretion and in the exclusive interest of the Sub-fund's shareholders, decide not to cancel a subscription order even though the AP has failed to deliver the Investments and/or the cash amount within the settlement/delivery time specified in the Trade Confirmation. In this case, the Sub-fund's manager may temporarily borrow a sum that is equivalent to the subscription and invest this sum in accordance with the Sub-fund's investment objective and strategy. Once the investments and/or the cash amount, as the case may be, are received, the Management Company will use them to repay the sum borrowed. The Management Company furthermore reserves the right to invoice the AP for any interest and other costs the Sub-fund may have incurred in connection with the borrowing.

If the Investments and the cash amount, or the cash amount alone (as applicable) delivered by the AP are insufficient to cover such interest or other costs, or if the AP fails to deliver the required Investments and/or cash as soon as possible, the Sub-fund and the Management Company may, at their discretion, cancel the order and the AP shall indemnify the Sub-fund and/or the Management Company for any (i) interest or costs incurred (including but not limited to the transaction costs of portfolio adjustments and interest on cash borrowings), and for (ii) the loss incurred by the Sub-fund and the Management Company as a result of such failed delivery, including but not limited to any impairment of the underlying assets that is attributable to the manager's buying and selling process (the "market effect").

<u>TAXATION</u>

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

1.<u>Taxation of the Sub-fund</u>

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

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

2. Taxation of Sub-fund share-holders

2.1 Shareholders resident in France
The Sub-fund's distributions to French residents, as well as capital gains or losses, are subject to prevailing tax legislation.
Investors are advised to consider their specific situation with their usual tax advisor.
2.2 Non-French resident share-holders
The terms of a tax treaty or lack thereof may make the Sub-fund's distributions subject to a standard deduction at source or withholding tax in France.

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

INFORMATION ON THE AUTOMATIC AND COMPULSORY EXCHANGE OF TAX INFORMATION

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

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

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

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

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

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

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

SUSTAINABILITY DISCLOSURES

Pursuant to EU Regulation 2019/2088 on sustainability-related disclosures in the financial services sector (the "**SFDR Regulation**"), the Management Company is required to describe how sustainability risks (as defined below) are integrated into its investment decisions, and to provide results of its assessment of the likely impacts of sustainability risks on the returns of the funds it manages.

Sustainability risks may have multiple impacts, the type and extent of which may vary depending on the presence of other specific risks, the geographic region and/or the asset class to which the funds are exposed. Generally speaking, an asset's exposure to a sustainability risk may reduce its value, possibly even to zero, which will in turn decrease the net asset value of the fund or funds that hold that asset.

An assessment of the likely impacts of sustainability risks must be conducted for each fund. The reader may find more information on this in the "Risk Profile" section of the Prospectus.

The term "**sustainability factors**" refers to environmental, social and employee matters, respect for human rights, and efforts to prevent corruption and bribery.

The term "**sustainability risk**" refers to an environmental, social or governance (ESG) event or condition the occurrence of which could have a material adverse impact, actual or potential, on the value of an investment. A sustainability risk may either constitute a risk in itself or may impact other risks, such as market risk, operational risk, liquidity risk or counterparty risk, by contributing significantly to the fund's exposure to these other risks. Assessing the likely impacts of sustainability risks on a fund's performance is complex and may involve the use of ESG data that are difficult to obtain, incomplete, estimated, outdated and/or inaccurate. Even when such data are identified, there is no guarantee these impacts will be properly assessed.

Sustainability risks include the "**physical risks**" of "climate events" caused by climate change, and the "**transition risks**" of a company's response to climate change, both of which may result in unexpected losses that could adversely impact the funds' investments. Sustainability risks may also arise in the workplace and in society (due to inequality, discrimination, poor labour relations, insufficient investment in human capital, accidents, changes in customer behaviour, etc.) and from poor governance practices (e.g. significant and repeated violations of international agreements, corruption issues, poor product quality and safety, in appropriate sales practices, etc.).

The Management Company aims to mitigate such sustainability risks by seeing to it that certain of its investment strategies exclude companies whose environmental, social and/or governance practices are considered to be controversial. A fund may further mitigate sustainability risks by adopting an ESG approach, inter alia, to its stock selection process or investment themes. Regardless of which method is used, there is no absolute assurance that all sustainability risks will be eliminated. More information on the integration of sustainability risks in investment decision-making processes can be found on the Management Company's website at https://www.lyxor.com/investissement-socialement-responsable.

Sustainability risks will not be a factor in the investment decisions of exchange-traded funds (ETFs), as these funds are either exposed to or directly invested in the components of an index.

TAXONOMY REGULATION

Regulation (EU) 2020/852 on the establishment of a framework to promote sustainable investment (the "Taxonomy Regulation") sets out the criteria for determining whether an economic activity is environmentally sustainable at the European Union level.

According to the Taxonomy Regulation, an activity is considered environmentally sustainable if it contributes substantially to one or more of the six environmental objectives set out in the Taxonomy Regulation (climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems).

In addition, to be considered sustainable, this economic activity must comply with the principle of "not causing significant harm" to any of the environmental objectives as defined by the Taxonomy Regulation and must also comply with certain minimum safeguards set out in Article 18 of the Taxonomy Regulation such as alignment with the OECD and UN guidelines.

The information required under Articles 5, 6 and 7 of the Taxonomy Regulations is available in the section "Taxonomy Regulations" within the appendices of each Fund.).

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

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

ISIN CODE

Share class: FR0000021842

CLASSIFICATION

Eurozone country equities.

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

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

INCEPTION DATE

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

INVESTMENT OBJECTIVE

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

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

BENCHMARK INDEX

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

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

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

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

Benchmark Index composition and revision

The composition of the Benchmark Index is revised annually.
The exact composition of the Benchmark Index and Euronext Paris's rules for its revision are available on its website at https://www.euronext.com.
The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

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

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Euronext, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

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

INVESTMENT STRATEGY

1. Strategy employed

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will use a direct replication method, which means that it will invest mainly a basket of securities consisting of the components of the Benchmark Index and/or financial instruments that are representative of all or some of the securities that compose the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

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

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds.

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance-sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

- Eligible markets:

☒ regulated
☒ organised
☒ over-the-counter

- Risks which the Sub-fund may seek to hedge or gain exposure to:

☒ equity
☐ interest rates
☐ currency
☐ credit

- Purpose (all transactions must be consistent with the investment objective)

☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

- Types of instruments used:

☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

- Strategy for using derivatives to achieve the investment objective:

☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

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

4.Securities with embedded derivatives

N/A.

5. Cash deposits

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

6. Cash borrowing

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

7. Securities financing transactions

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

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

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

- The aforementioned operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by The Sub-fund's Management Company, the Agent (if applicable) and/or other intermediaries that are involved in these transactions.

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

- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses that may be borne by the Agent and the Management Company. Since these direct and indirect operating expenses do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

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

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

8. Collateral

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

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

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

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

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

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

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

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;

(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;

(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;

(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;

(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;

(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

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

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

Reinvestment of collateral

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

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

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

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

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

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies. Shares in the sub-fund are mainly exposed to the following risks:

- Equity risk

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

- Capital risk

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

- Liquidity risk (primary market)

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

- Liquidity risk (secondary market)

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

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

- Concentration risk

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

- Risk of using derivative financial instruments

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

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

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

- Counterparty risk

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

- Benchmark Index tracking risk

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

- Risk that the investment objective may not be fully achieved

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

- Risk of a change in the tax regime

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

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

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

- Risk of using efficient portfolio management techniques

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

- Collateral management risks

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

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

- Regulatory risk affecting the Sub-fund

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

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

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

- Benchmark Index disruption risk

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

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

- Corporate action risk

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

- Currency risk associated with listing exchanges

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

Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.
Investors in this Sub-fund are seeking exposure to the Belgian equity market.
The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

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

CURRENCIES

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

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

The Board of Directors reserves the right to accumulate and/or distribute all or part of all distributable amounts.

DISTRIBUTION FREQUENCY

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

SHARE CHARACTERISTICS

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

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

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

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement

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

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

Date and frequency of net asset value calculation

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

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

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

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

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

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

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

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

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

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

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

B SPECIFIC PROVISIONS

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

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

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

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

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

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

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

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

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

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

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

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

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

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

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

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

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

FEES AND CHARGES

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

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

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5% of the NAV per share multiplied by the number of shares subscribed, payable to a third party.
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the NAV per share multiplied by the number of shares redeemed, payable to a third party.
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

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

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):
- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.
- direct and indirect operating fees/expenses of securities financing transactions.

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

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administrative fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net asset value	0.50% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Incentive fee	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The income from these transactions	20% for the Management Company 15% for the Agent

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

COMMERCIAL INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

German tax rules that apply to the Sub-fund

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

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

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

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

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

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

ADDITIONAL INFORMATION

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

The Multi Units France prospectus, the Key Investor Information Document, the most recent annual reports and the asset inventory statement will be sent to investors within eight business days upon written request to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com

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

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

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

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

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.
Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

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

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

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

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

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

ASSET VALUATION AND ACCOUNTING RULES

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

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

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

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

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

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

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

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

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

ISIN CODE
Share class: FR0011023639

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

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

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

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

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

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

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

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

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

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

The performance tracked is the Benchmark Index closing fixing in euros.
Since the methodology used to calculate the Benchmark Index is not based on direct investment in BTP bonds but on indirect investment in futures, the Sub-fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts every quarter.

Over time this could significantly diminish the Sub-fund's performance in comparison with the gross performance of the long positions on the underlyings of the aforementioned futures, particularly in the case of a long-term investment in the Sub-fund.

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at www.solactive.fr
Benchmark Index composition and revision
The Benchmark Index is revised daily.
The frequency of the aforementioned adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark Index publication
The Benchmark Index is calculated daily using the Long-Term EUR-BTP futures fixing at 5.15 pm.
The Benchmark Index's fixing is available on the website.

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

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

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

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

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

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

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

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

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by a given OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.
Notwithstanding the above, securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund holds at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD Member State, the local authorities of a European Union Member State or a country that is a member of the European Economic Area.

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

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, international securities (equities and bonds) denominated in one of the currencies of the OECD countries. Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

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

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

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

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

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

3. Off-balance sheet assets (derivatives)

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

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

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

A counterparty to derivative financial instruments (the "**Counterparty**") will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

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

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

4.Securities with embedded derivatives

N/A.

5. Cash deposits

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

6. Cash borrowing

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

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

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

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

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

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

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

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

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

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

Collateral discount policy

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

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

Reinvestment of collateral

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

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

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

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

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

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com, rubrique mentions règlementaires.

RISK PROFILE

The Sub-fund will mainly invest in in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

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

- Interest rate risk

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

- Daily leverage adjustment risk

Investors are exposed to two times the daily changes which affect the price or level of the BTP futures that underlie the Benchmark Index. In particular, any decrease in the underlying market will be amplified and will imply a larger decrease in the Sub-fund's net asset value. Since the 'leverage' index formula is reset daily, over a period of more than one trading day the Sub-fund's return will not be twice that of the BTP futures that underlie the Benchmark Index
For example, if the BTP futures underlying the Benchmark Index are subject to an increase of 10% on trading day one, followed by a decrease of 5% on trading day two, the Sub-fund will be subject to a total increase of 8% (before fees) over the two trading days, while the BTP futures underlying the Benchmark Index will be subject to an increase of 4.5% over the same period.
If the BTP futures underlying the Benchmark Index are subject to a decrease of 5% per day over two consecutive trading days, the Sub-fund will see a total decrease of 19% (before fees), while the BTP futures underlying the Benchmark Index will see a decrease of 9.75% over the same period.

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

	Benchmark Index underlying		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	20%	120	x2
Day 2	-11%	97.9	-22%	93.6	x2
Total return	**-2.10%**		**-6.40%**		**x3.05**

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

	Benchmark Index underlying		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-5%	95	-10%	90	x2
Day 2	6%	100.7	12%	100.8	x2

Total return	**0.70%**	**0.80%**	**x1.14**

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

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

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

- Risk that the investment objective is not fully achieved

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

- Risk of using derivative financial instruments

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

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

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

- Risk of a change in the tax regime

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

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

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

- Regulatory risk affecting the Sub-fund

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

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

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

- Benchmark Index disruption risk

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

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

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

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

- Corporate action risk

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

- Capital risk:

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

- Counterparty risk

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

- Liquidity risk (primary market)

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

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Low diversification risk:

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

- Credit risk

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

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

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

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

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

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

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

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

SHARE CURRENCY

The share class currency is the euro (EUR)

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

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

Subscriptions and redemptions
Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

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

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

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

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

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

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

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

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

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

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

B SPECIFIC PROVISIONS

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

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

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

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

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

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

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

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

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

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

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

The iNAV will be calculated every day that the net asset value is calculated and published.
To calculate the Sub-fund's iNAV throughout the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
The Long-Term EUR-BTP futures prices used to calculate the Benchmark Index and therefore to determine the iNAV, is provided to Reuters by Eurex.
If Eurex is closed (on a public holiday on the TARGET calendar), the Benchmark Index price cannot be determined, the net asset value can no longer be calculated and trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's asset manager, will provide Solactive AG with all the financial and accounting data that Solactive AG needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

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

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

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

FEES AND CHARGES

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

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

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES:

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

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):
- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

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

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

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

COMMERCIAL INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

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

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

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

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

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

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

ADDITIONAL INFORMATION

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

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

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

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

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

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

LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
e-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

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

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

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

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

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

OVERALL RISK EXPOSURE

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

ASSET VALUATION AND ACCOUNTING RULES

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

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

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

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

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY
For more information see the section entitled “Calculation and appropriation of Distributable amounts”.

E. ACCOUNTING CURRENCY
The Sub-fund’s accounts are kept in euros.

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

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

ISIN CODE
Share class: FR0011023654

CLASSIFICATION

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

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

INCEPTION DATE

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

INVESTMENT OBJECTIVE

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

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

BENCHMARK INDEX

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

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

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

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

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

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

Since the methodology used to calculate the Benchmark Index is not based on direct investment in Bunds but on indirect investment in futures, the Sub-fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts every quarter.

Over time, this could significantly diminish the Sub-fund's performance in comparison with the gross performance of the long positions on the underlying of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-fund's shares.

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

Benchmark Index composition and revision
The Benchmark Index is rebalanced daily.
The frequency of the aforementioned adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark Index publication:
The Benchmark Index is calculated daily using the official closing fixing of Euro-Bund futures at 5.15 pm.
The Benchmark Index's fixing is available on the Internet at http://www.solactive.com.

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

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

INVESTMENT STRATEGY

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

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

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

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

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

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

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

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

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

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

2. Balance sheet assets (excluding embedded derivatives)

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

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

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

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

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

3. Off-balance sheet assets (derivatives)

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

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

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

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

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

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

4.Securities with embedded derivatives
N/A.

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

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

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

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

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

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

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

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

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

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

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

Collateral discount policy

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

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

Reinvestment of collateral

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

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

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

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

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

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

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

- Interest rate risk

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

- Daily leverage adjustment risk

Investors are exposed to two times the daily changes which affect the price or level of the Euro-Bund futures that underlie the Benchmark Index. In particular, any decrease in the underlying market will be amplified and will imply a larger decrease in the Sub-fund's net asset value. Since the 'leverage' index formula is reset daily, over a period of more than one trading day the Sub-fund's return will not be twice that of the Euro-Bund futures that underlie the Benchmark Index
For example, if the Euro-Bund futures underlying the Benchmark Index are subject to an increase of 10% on trading day one, followed by a decrease of 5% on trading day two, the Sub-fund will be subject to a total increase of 8% (before fees) over the two trading days, while the Euro-Bund futures underlying the Benchmark Index will be subject to an increase of 4.5% over the same period.
If the Euro-Bund futures underlying the Benchmark Index are subject to a decrease of 5% per day over two consecutive trading days, the Sub-fund will see a total decrease of 19% (before fees), while the Euro-Bund futures underlying the Benchmark Index will see a decrease of 9.75% over the same period.

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

	Benchmark Index underlying		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	20%	120	x2
Day 2	-11%	97.9	-22%	93.6	x2
Total return	-2.10%		-6.40%		x3.05

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

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

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

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

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

- Risk that the investment objective is not fully achieved

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

- Risk of using derivative financial instruments

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

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

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

- Risk of a change in the tax regime

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

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

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

- Regulatory risk affecting the Sub-fund

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

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

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

- Benchmark Index disruption risk

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

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

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

- Corporate action risk

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

- Capital risk

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

- Counterparty risk

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

- Liquidity risk (primary market)

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

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Low diversification risk:

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

- Credit risk

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

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

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

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

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

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

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

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

SHARE CURRENCY

The share class currency is the euro (EUR).

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

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

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement

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

Date and frequency of net asset value calculation

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

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

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

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

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

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

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

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

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

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

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

B. SPECIFIC PROVISIONS

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

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

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

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

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

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.
Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

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

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

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

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

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

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

Indicative Net Asset Value

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

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

To calculate the Sub-fund's iNAV throughout the Paris trading session (from 9:00 am to 5.30 pm), Solactive AG will use the Benchmark Index value published by Reuters.
The market prices of the Bund futures used to calculate the level of the Benchmark Index, and therefore determined the iNAV are supplied to Reuters by Eurex.
If Eurex is closed (on a public holiday on the TARGET calendar), the Benchmark Index is no longer published, the iNAV cannot be calculated and trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

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

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

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

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

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

FEES AND CHARGES

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

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

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms[(1)(2)]
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms[(1)(3)]

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(4) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(5) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(6) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

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

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

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

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

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

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

COMMERCIAL INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

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

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

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

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

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

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

ADDITIONAL INFORMATION

The Sub-fund's shares are accepted for clearing by Euroclear France S.A.
Subscription and redemption orders must be sent in by the investors' financial intermediary (a member of Euroclear France S.A.) to the Depositary.

The Multi Units France fund prospectus, the Key Investor Information Document and the most recent annual documents will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
e-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

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

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

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

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

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

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

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

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

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

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

OVERALL RISK EXPOSURE

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

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

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

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

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

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

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY
For more information see the section entitled “Calculation and appropriation of Distributable amounts”.

E. ACCOUNTING CURRENCY
The Sub-fund’s accounts are kept in euros.

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

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

ISIN CODE:
Share class: FR0011023621

CLASSIFICATION

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

INCEPTION DATE

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

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

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

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

BENCHMARK INDEX

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

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

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

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

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

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

Since the methodology used to calculate the Benchmark Index is not based on direct investment in Italian bonds but on indirect investment in futures, the Sub-fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts every quarter.

Over time, this could significantly diminish the Sub-fund's performance in comparison with the gross performance of the short positions on the underlying of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-fund's shares.

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

Benchmark Index composition and revision
The Benchmark Index is rebalanced daily.
The frequency of the aforementioned adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark index publication
The Benchmark Index is calculated daily using the Long-Term EUR-BTP futures fixing at 5.15 pm.
The Benchmark Index's fixing is available on the Internet at htpps://www.solactive.com.

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

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

INVESTMENT STRATEGY

1. Strategy employed

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

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

Investors in this Sub-fund gain inverse exposure, with a daily 2x leverage, to increases and decreases in the daily performance of the Italian sovereign bond market, of which the Benchmark Index is representative.

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

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

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

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

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

The Sub-fund's interest-rate sensitivity will be between 10 and 22..

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, international securities (equities and bonds) denominated in one of the currencies of the OECD countries. Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

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

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

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

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

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

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

3. Off-balance sheet assets (derivatives)

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

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

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

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.
When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses

that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.securities with embedded derivatives

N/a.

5. cash deposits

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

6. Cash borrowing

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

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

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

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

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

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

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

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

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

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;

(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;

(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;

(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;

(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;

(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

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

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

Reinvestment of collateral

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

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

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

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

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

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

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

- Interest rate risk

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

- Daily leverage adjustment risk

Investors are inversely exposed to two times the daily changes which affect the price or level of the BTP futures that underlie the Benchmark Index. Therefore, any gain in the underlying market will be inversely amplified and will result in a larger decrease in the Sub-fund's net asset value. Since the exposure in the underlying "double short" Benchmark Index formula is reset daily, over a period of more than one trading day the Sub-fund's return will not be twice that of the BTP futures that underlie the Benchmark Index. For example, if the BTP futures underlying the Benchmark Index gain 10% a trading day and then lose 5% the following trading day, the Sub-fund will lose a total 12% over these two days (before fees) over the two trading days, while the BTP futures underlying the Benchmark Index will gained 4.5% over the same period.
If the BTP futures underlying the Benchmark Index lose 10% one trading day and then gain 6% the following trading day, the Sub-fund will have gained 5.6% over these two days (before fees), while the BTP futures underlying the Benchmark Index will have lost 4.6% over this period.

Scenario 1 - negative leverage: The negative leverage effect is greater than 2 and the Benchmark Index underlying rises

	Benchmark Index underlying		Benchmark Index		
	Performance day i	**Value day i**	**Performance day i**	**Value day i**	**Leverage effect**
		100		100	
Day 1	10%	110	-20%	80	x-2
Day 2	-5%	104.5	10%	88	x-2
Total return	**4.50%**		**-12.00%**		**x-2.67**

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

	Benchmark Index underlying		Benchmark Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-10%	90	20%	120	x-2
Day 2	6%	95.4	-12%	105.6	x-2
Total return	**-4.60%**		**5.60%**		**x-1.22**

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

Scenario 3 - inverse leverage: The effective leverage is positive over the period

	Benchmark Index underlying		Benchmark Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	5%	105	-10%	90	x-2
Day 2	-5%	99.75	10%	99	x-2
Total return	**-0.25%**		**-1.00%**		**x4**

- Risk that the investment objective is not fully achieved

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

- Risk of using derivative financial instruments

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

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

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

- Risk of a change in the tax regime

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

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

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

- Regulatory risk affecting the Sub-fund

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

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

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

- Benchmark Index disruption risk

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

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

- Corporate action risk

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

- Capital risk

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

- Counterparty risk

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

- Liquidity risk (primary market)

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

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Low diversification risk:

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

- Credit risk

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

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

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.
Investors in this Sub-fund are seeking inverse exposure to the performance, whether positive or negative and with daily 2x leverage, of Italian sovereign bonds having a residual maturity of 8.5 to 11 years.
The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

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

CURRENCY

The share class currency is the euro (EUR).

SUBSCRIPTION AND REDEMPTION

1/ SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

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

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the “Cash and in-kind transactions” sub-section of the “PRIMARY MARKET TRANSACTIONS” Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement

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

Date and frequency of NAV calculation

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

The Sub-fund’s net asset value is calculated using the Benchmark Index’s closing price. The Sub-fund’s net asset value is denominated in EUR.

2/ PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

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

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

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

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

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

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

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

B. SPECIFIC PROVISIONS

a. <u>If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:</u>

<u>Negotiability of shares and information about the financial institutions acting as Market Makers</u>

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

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

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

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

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

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated

if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative Net Asset Value</u>

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV").
The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

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

The iNAV will be calculated every day that the net asset value is calculated and published.
To calculate the Sub-fund's iNAV throughout the Paris trading session (9.05 am to 5.35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
The market prices of the Long-Term EUR-BTP futures used to calculate the level of the Benchmark Index and therefore to determine the iNAV is provided to Reuters by Eurex.
If Eurex is closed (on a public holiday on the TARGET calendar), the Benchmark Index is no longer published, the net asset value can no longer be calculated and trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's asset manager, will provide Solactive AG with all the financial and accounting data that Solactive AG needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

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

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

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

FEES AND CHARGES

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

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

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES:

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

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):
- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

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

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

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

COMMERCIAL INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

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

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

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

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

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

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

ADDITIONAL INFORMATION

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

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

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

LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.
Prospectus publication date: See the “Publication Date” section.

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

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

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

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

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

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

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

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

OVERALL RISK EXPOSURE

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

ASSET VALUATION AND ACCOUNTING RULES

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

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

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

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

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

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

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

SUB-FUND NO. 5: Lyxor 10Y US Treasury Daily (-2x) Inverse UCITS ETF

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

ISIN CODE:

Acc share class: FR0011607084
Dist share class: FR0011607340

The Lyxor 10Y US Treasury Daily (-2x) Inverse UCITS ETF sub-fund (hereinafter the "**Sub-fund**") is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by l'autorité des Marchés Financiers (the French financial markets authority) on 10/12/2013 and was created on 8 January 2014.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to provide inverse exposure, with 2x leverage, to the daily performance, whether positive or negative, of US Treasury bonds with residual maturities of 6.5 to 10 years, by tracking the Solactive 10Y US Treasury Futures Daily (-2x) Inverse Index (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected tracking error, monitored ex-post under normal market conditions is 0.07%.

BENCHMARK INDEX

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

The Benchmark Index provides inverse exposure with 2x daily leverage to increases and decreases in the prices of US Treasury bonds with residual maturities of 6.5 to 10 years, for which CBOT 10-Year T-Note futures are a representative indicator of performance. Therefore, if the price of CBOT 10-Year T-Note futures declines on a given trading day, the Sub-fund's net asset value may be expected to increase by twice as much that day, whereas if the price of CBOT 10-Year T-Note futures rises on a given trading day, the Sub-fund's net asset value may be expected to decrease by twice as much that day and shareholders will not profit from the increase in CBOT 10-Year T-Note prices.

CBOT 10-Year T-Note futures are a representative index of the market for US Treasury bonds with residual maturities of 6.5 to 10 years. The index methodology is available at: https://www.cmegroup.com.

The Benchmark Index's daily performance is equivalent to the inverse of twice the daily performance of CBOT 10Y T-Note futures plus the interest at the fed funds rate received daily on the value of the Benchmark Index's fixing the previous day.

The index is therefore representative of a shorting strategy on CBOT 10-Year T-Note futures with 2x leverage and daily adjustment. Further adjustment during a trading session is possible if the Benchmark Index falls by more than 40% on a trading day (i.e. if the absolute value of CBOT 10-Year T-Note futures increases by more than 20% on a given day).

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

Since the methodology used to calculate the Benchmark Index is not based on direct investment in US Treasury notes but on indirect investment in futures, the Sub-fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts every quarter.

Over time, this could significantly diminish the Sub-fund's performance in comparison with the gross performance of the short positions on the underlying of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-fund

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

Benchmark Index composition and revision

The Benchmark Index is revised daily.

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

Benchmark Index publication

The Benchmark Index is calculated daily on the value of the fixing of CBOT 10-Year T-Note futures at 3.00 pm Eastern Standard Time.
The Benchmark Index's fixing is available on the Internet at: https://www.solactive.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Solactive AG, the administrator of the Solactive 10Y US Treasury Futures Daily (-2x) Inverse Index, is registered in ESMA's register of benchmark index administrators.

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

INVESTMENT STRATEGY

1. Strategy employed

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

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

Investors in this Sub-fund are seeking inverse exposure with 2x leverage to the performance, whether positive or negative, of US Treasury bonds with residual maturities of 6.5 to 10 years, which are represented by the Benchmark Index.

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

Fund's targeted interest-rate sensitivity	From 8 to 20
Currencies in which the Sub-fund's securities are denominated	USD: from 0 to 100% of net assets
Foreign exchange risk to which the Sub-fund is exposed	0% maximum of net assets)
Geographic regions of the issuers of the securities to which the Sub-fund is exposed	US: from 0 to 100% of net assets

(1) share classes that are not denominated in USD may however be exposed to currency risk.

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

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest in bonds issued by an OECD member country or by a non-governmental issuer in an OECD country within regulatory limits

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

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

- diversification criteria, and in particular with respect to:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geographic
  - sector

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

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

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

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

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

3. Off-balance sheet assets (derivatives)

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

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

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

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

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

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses

that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

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

6. Cash borrowing

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

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

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

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

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

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

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

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

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

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

Collateral discount policy

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

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

Reinvestment of collateral

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

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

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

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

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

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies. Investors in the Sub-fund will mainly be exposed to the following risks:

- Capital risk

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

- Counterparty risk

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

- Interest rate risk

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

- Daily leverage adjustment risk

Investors are inversely exposed to two times the daily changes which affect the price or level of the CBOT 10y US Treasury futures that underlie the Benchmark Index. Therefore, any gain in the underlying market will be inversely amplified and will result in a larger decrease in the Sub-fund's net asset value. Since the exposure in the underlying "double short" Benchmark Index formula is reset daily, over a period of more than one trading day the Sub-fund's return will not be twice that of the CBOT 10y US Treasury futures that underlie the Benchmark Index
For example, if the CBOT 10y US Treasury futures underlying the Benchmark Index gain 10% a trading day and then lose 5% the following trading day, the Sub-fund will lose a total 12% over these two days (before fees) over the two trading days, while the CBOT 10y US Treasury futures underlying the Benchmark Index will have gained 4.5% over this period.

If the CBOT 10y US Treasury futures underlying the Benchmark Index lose10% one trading day and then gain 6% the following trading day, the Sub-fund will have gained 5.6% over these two days (before fees), while the CBOT 10y US Treasury futures underlying the Benchmark Index will have lost 4.6% over this period.

Scenario 1 - negative leverage: The negative leverage effect is greater than 2 and the Benchmark Index underlying rises

	Benchmark Index underlying		**Benchmark Index**		
	Performance day i	**Value day i**	**Performance day i**	**Value day i**	**Leverage effect**
		100		100	
Day 1	10%	110	-20%	80	x-2

Day 2	-5%	104.5	10%	88	x-2
Total return	**4.50%**		**-12.00%**		**x-2.67**

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

	Benchmark Index underlying		**Benchmark Index**		
	Performance day i	**Value day i**	**Performance day i**	**Value day i**	**Leverage effect**
		100		100	
Day 1	-10%	90	20%	120	x-2
Day 2	6%	95.4	-12%	105.6	x-2
Total return	**-4.60%**		**5.60%**		**x-1.22**

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

Scenario 3 - inverse leverage: The effective leverage is positive over the period

	Benchmark Index underlying		**Benchmark Index**		
	Performance day i	**Value day i**	**Performance day i**	**Value day i**	**Leverage effect**
		100		100	
Day 1	5%	105	-10%	90	x-2
Day 2	-5%	99.75	10%	99	x-2
Total return	**-0.25%**		**-1.00%**		**x4**

- Risk that the investment objective may not be fully achieved:

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

- Risk of using derivative financial instruments

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

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

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

- Risk of a change in the tax regime

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

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

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

- Regulatory risk affecting the Sub-fund

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

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

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

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi): the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

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

- Liquidity risk (primary market)

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

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Low diversification risk

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

- Credit risk

This is the risk that an issuer's credit-worthiness may improve and that a credit-rating agency could raise the issuer's credit rating, which would increase the price of the issuer's bonds and thus adversely affect the Sub-fund's net asset value. The Sub-fund is exposed to U.S. sovereign credit risk.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

Investors in this Sub-fund will have inverse exposure with 2x daily leverage to increases and decreases in the prices of US Treasury bonds having residual maturities of 6.5 to 10 years.

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

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

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

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.
Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of income in one or more annual distributions. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

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

SHARE CHARACTERISTICS

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

CURRENCIES

Share currency	Acc share class	Dist share class
	USD	USD

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

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

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

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

Date and frequency of NAV calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in USD.

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

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

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

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

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

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

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

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

B. SPECIFIC PROVISIONS

a. If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" part of the "General Characteristics" section of the Sub-fund's prospectus, investors should note the following rules:

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

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

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF".

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

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

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

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of the USD equivalent of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated

if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

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

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

The iNAV will be calculated every day that the net asset value is calculated and published.
To calculate the Sub-fund's iNAV throughout the Paris trading session (9.05 am to 5.35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
The market prices of the CBOT 10y US Treasury futures used to calculate the level of the Benchmark Index and therefore to determine the iNAV is provided to Reuters by Eurex.
If Eurex is closed (on a public holiday on the TARGET calendar), the Benchmark Index is no longer published, the net asset value can no longer be calculated and trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

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

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

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

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

FEES AND CHARGES

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

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

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES:

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

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):
- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

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

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

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

COMMERCIAL INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

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

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

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

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Lyxor 10Y US Treasury Daily (-2x) Inverse UCITS ETF is a French sub-fund that has been approved by l'Autorité des Marchés Financiers. Its prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

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

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ADDITIONAL INFORMATION

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

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

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

LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
e-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

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

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

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

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

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

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

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

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.
Notwithstanding the above, securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund holds at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD Member State, the local authorities of a European Union Member State or a country that is a member of the European Economic Area.

OVERALL RISK EXPOSURE

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

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

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

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

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

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;

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

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

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

E. ACCOUNTING CURRENCY
The Sub-fund’s accounts are kept in USD.

SUB-FUND NO. 6: Lyxor FTSE Italia PMI PIR 2020 (DR) UCITS ETF

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

ISIN CODES

Acc share class: FR0011758085

CLASSIFICATION

Eurozone country equities.
The Lyxor FTSE Italia PMI PIR 2020 (DR) UCITS ETF sub-fund (the "**Sub-fund**") continuously maintains at least 60% exposure to one or more of the equity markets of one or more eurozone countries, which may include France.

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

INCEPTION DATE

The Sub-fund was approved by l'autorité des Marchés Financiers (the French financial markets authority) on 7 March 2014 and was established on 28 March 2014.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the FTSE Italia PIR PMI Net Tax Index (the "**Benchmark Index**") denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index, which is representative of the performance of mid-cap stocks listed on Borsa Italiana.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the FTSE Italia PIR PMI Net Tax Index,

The Benchmark Index is a free float-adjusted capitalisation-weighted index that is representative of the stock-market performance of the small-cap and mid-cap equities listed on the Borsa Italiana exchange.

The Benchmark Index is composed of the components of the FTSE Italia Mid Cap Index and of 20 components of the FTSE Italia Small Cap Index selected on the basis of their daily trading volume and market capitalisation.

The Benchmark Index components are eligible for investment under the "Piano Individuale di Risparmio a lungo termine" (PIR) regime in effect prior to 31 December 2018 or since 1 January 2020, pursuant to the 2017 Italian Budget Act (Act No. 232 of 11 December 2016) as amended or supplemented.

The FTSE Italia Mid Cap Index represents the 60 listed companies on the Borsa Italiana exchange that are rated most highly in terms of market capitalisation and liquidity (as measured by daily trading volume) and which are not components of the FTSE MIB index.

The FTSE Italia Small Cap Index represents the companies listed on the Borsa Italiana exchange that meet FTSE's liquidity and market capitalisation criteria and which are not components of the FTSE MIB Index or the FTSE Italia Mid Cap Index.

With each rebalancing, the weight of the Benchmark Index components that are also components of the FTSE Italia Small Cap Index is fixed at 5%.

Each Benchmark Index component is capped at 10% at each quarterly rebalancing. The weight of any component that exceeds 10% will be reduced to 10%. The sum of the weights of components with weights above 5% is capped at 40%.

The Benchmark Index is rebalanced quarterly, in March, June, September and December.

The Benchmark Index is a Net Dividends Reinvested index. A Net Dividends Reinvested index includes net dividends and all other types of income distribution in the calculation of the index's performance.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.ftserussell.com.

Benchmark Index composition and revision
The Benchmark Index is rebalanced quarterly.
The exact composition of the Benchmark Index and FTSE's rules for index composition revision are available on the Internet at www.ftserussell.com.
The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication
The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every stock exchange trading day.
The Benchmark Index's closing price is available on the Internet at www.ftserussell.com.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, FTSE International Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

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

INVESTMENT STRATEGY

1. Strategy employed

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

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

The equities in the Sub-fund's portfolio are on the list of investments that are eligible for investment under the "Piano Individuale di Risparmio a lungo termine" (PIR) regime in effect prior to 31 December 2018 or since 1 January 2020, pursuant to the 2017 Italian Budget Act (Act No. 232 of 11 December 2016) as amended or supplemented.

The Sub-fund must invest at least 70% of its assets in financial instruments traded on a regulated market or on a multilateral trading facility that are issued by or entered into with companies that are domiciled in Italy or in a country of the European Union or the European Economic Area (EEA) and which have a permanent establishment in Italy.

At least 25% of these financial instruments, representing 17.5% of the total value of the Sub-fund's assets, must be issued by companies that are not components of the FTSE MIB index or an equivalent index. At least 5% of these financial instruments, representing 3.5% of the total value of the Sub-fund's assets, must be issued by companies that are not components of the FTSE MIB index or the FTSE Italia Mid Cap Inded or of an equivalent index.

The Sub-fund cannot invest more than 10% of the total value of its assets in financial instruments that are issued by or entered into with a single company, or by or with companies belonging to the same group, or in cash deposits.

The Sub-fund cannot invest in companies that are domiciled in a country that has not signed an appropriate information-sharing agreement with Italy.
For the Sub-fund to be entitled to benefit from the PIR law for a given calendar year, these investment constraints must be observed for at least two-thirds of each calendar year as of 1 January 2020.

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

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

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

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

- Eligible markets:

☒ regulated

☒ organised
☒ over-the-counter

- Risks which the Sub-fund may seek to hedge or gain exposure to:

☒ equity
☐ interest rates
☐ currency
☐ credit

- Purpose (all transactions must be consistent with the investment objective)

☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

- Types of instruments used:

☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

- Strategy for using derivatives to achieve the investment objective:

☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-execution by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

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

4.Securities with embedded derivatives

N/A.

5. Cash deposits

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

6. Cash borrowing

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

7. Securities financing transactions

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

- Maximum proportion of assets under management for which securities financing transactions may be entered into: 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating fees/expenses.
- These operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by the Management Company, the Agent (if applicable) and/or any other intermediaries that are involved in these transactions.
- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these fees/expenses are paid will be provided in the Sub-fund's annual report.
- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses which may be borne by the Agent and the Management Company. Since these direct and indirect operating fees/expenses do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing charges.

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

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund’s counterparty risk, and; et
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating fees/expenses associated with these transactions.

8. Collateral

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

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

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

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

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

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

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

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

Collateral discount policy

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

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

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

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

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

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

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

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

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

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

- Equity risk

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

- Capital risk

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

- Liquidity risk (primary market)

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

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of investing mid-cap companies

The Sub-fund is exposed to medium-capitalisation companies, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply and more rapidly in response to market movements than do the prices of large-cap stocks. The Sub-fund's net asset value could behave similarly and therefore fall more sharply than that of a similar investment in large-capitalisation equities.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.
The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.
The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Companyentities of the same group as the Management Company.

- Collateral management risks

Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost;

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted.

vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- PIR Law risk

The Sub-fund will endeavour to comply with the requirements of the PIR individual long-term savings plan introduced in Italy under the 2017 Finance Act, by replicating the Benchmark Index. Some factors that may affect the Sub-fund's capacity to comply with the requirements of the PIR law are a change in the Benchmark Index provider's methdology, the delisting of the securities in the Sub-fund's portfolio or changes in their incorporation, or securities that cease to be compliant with the requirements of the PIR law. When securities are components of the Benchmark Index, they will remain in the Benchmark Index and may therefore remain in the Sub-fund's portfolio until they are removed from the Benchmark Index during the next scheduled rebalancing. The Sub-fund may also, if there are mitigating factors, hold other securities that are not components of the Benchmark Index. The Management Company may manage such situations at its discretion. Furthermore, the PIR law's regulatory framework may change, which may result in a modification of the Benchmark Index or of the investment strategy, subject to the CSSF's approval.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is This Sub-fund is available to all investors.

Investors in this Sub-fund seek exposure to mid-cap stocks listed on the Borsa Italiana exchange.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts will be accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Only a whole number of shares may be redeemed.

CURRENCY

Currency of the Acc share class: EUR.

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and a minimum amount of at least 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.
The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated .

Capping of redemptions

When exceptional circumstances and the preservation of the interests of the Sub-fund's shareholders so require, the Management Company may suspend redemptions when they reach the maximum amount indicated below and defer the unexecuted fraction of redemption orders over one or more subsequent net asset values.

For this Sub-fund, redemptions at a given net asset value may be suspended when they exceed 10% of the Sub-fund's net assets as calculated using the most recent net asset value for all of the Sub-fund's share classes, which the Management Company may estimate if necessary on the corresponding Primary Market Day.

If the redemption orders received on a given Primary Market Day exceed 10% of the Sub-fund's net assets, the Management Company may, depending on the market conditions on that Primary Market Day, decide to suspend redemptions. In this case, the Management Company will determine the precise amount of the cap on redemptions in accordance with market conditions and in the best interest of the Sub-fund's shareholders. This is because the liquidity of the Sub-fund's assets will depend on the market conditions on that Primary Market Day and in some cases may enable the Sub-fund to fulfil all or some of the redemption orders received on that day above the 10% limit of the Sub-fund's net assets.

When the Management Company decides to suspend redemptions it specifies the amount of the cap so that it can immediately determine the fraction of each redemption order that cannot be executed and inform, as soon as possible, the shareholders who have placed redemption orders.

The fraction of redemption orders that is not executed will be automatically deferred and treated like a redemption order that is received in the following Primary Market Day, unless the shareholder does not want the unexecuted fraction of the redemption order to be executed, in which case this fraction will be cancelled on this Primary Market Day.

The maximum number of net asset values during which redemptions may be capped and suspended by the Management Company is indicated in the Sub-fund's articles of Association.

For example, if the Sub-fund has net assets of EUR 1,000,000,000 and the redemption orders on a Primary Market Day exceed EUR 100,000,000, the Management Company may suspend redemptions depending on market conditions and above all on the liquidity of the Sub-fund's assets. If redemption orders total EUR 200,000,000 and the Sub-fund's has net assets of EUR 1,000,000,000 there are two possibilities:

- the liquidity of the Sub-funds' assets enable the Management Company to fulfil all redemption orders, in which case the Management Company will not suspend redemptions, or
- in consideration of the liquidity of the Sub-fund's assets and the best interests of its shareholders, the Management Company decides to suspend redemptions and sets the cap beyond which it will stop fulfilling all redemption orders. If, for example, the Management Company caps redemptions at 15% it will fulfil redemption orders up to a maximum of 15% of the Sub-fund's net assets (i.e. EUR 150,000,000).Accordingly, only 75% of each order will be executed (75% = EUR 150,000,000 / EUR 200,000,000).Beyond this 15% cap, the fraction of redemption orders that cannot be executed (i.e. EUR 50,000,000 in our example) will be automatically deferred and treated as if it were a redemption order received on the following Primary Market Day. However, shareholders may oppose the deferral of the fraction of their redemption orders that is not executed on this Primary Market Day, in which case this fraction will be cancelled.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund acquired on the secondary market cannot generally be directly resold to the Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below and those of the section above entitled "Capping of redemptions, "investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components;
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Redemptions made in the primary market in this case shall only be subject to a redemption fee paid to the Sub-fund and which serves to cover its trading costs. The redemption fee that is not kept by the Sub-fund will normally not be charged.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a. If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" part of the "General Characteristics" section of the Sub-fund's prospectus, investors should note the following rules:

<u>Negotiability of shares and information about the financial institutions acting as Market Makers:</u>
The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the shares or units of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their shares or units does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated;
- Euronext Paris cannot obtain the Benchmark Index's level
- Euronext Paris cannot obtain the Sub-fund's net asset value;

In accordance with the terms and conditions governing admission to trading on the Euronext Paris exchange, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 200,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
the Benchmark Index is no longer traded or calculated;
if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative Net Asset Value</u>

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9.05 am to 5.35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.
Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value;
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s.

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund
- direct and indirect operating fees/expenses of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net asset value	0.40% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Incentive fee	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The amount of income from these transactions	20% for the Management Company 15% for the Agent.

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Lyxor FTSE Italia PMI PIR 2020 (DR) UCITS ETF fund is in no way sponsored, approved, sold or recommended by FTSE International Limited (hereinafter "FTSE") or London Stock Exchange Group companies ("LSEG") (hereinafter collectively referred to as the "Licensors").

The Licensors assume no obligation and provide no warranty, either expressed or implied, as to the results that may be obtained from (i) using the FTSE Italia PIR PMI index (hereinafter the "Index") (on which the Lyxor FTSE Italia PMI PIR 2020 (DR) UCITS ETF sub-fund is based), (ii) the level of said Index at a given time or day, or of any other type, or (iii) the Index's relevance to the objective for which it is used in relation to Lyxor FTSE Italia PMI PIR 2020 (DR) UCITS ETF sub-fund.

None of the Licensors has provided nor will provide Lyxor or any of its clients with any investment advice or recommendation in relation to the Index. The Index is calculated by or on the behalf of FTSE. The Licensors shall not be liable to anyone (whether on the grounds of negligence or for any other reason) for any error that affects the Index and shall not be obliged to inform anyone of such an error.

All rights to the index are held by FTSE. FTSE®" is a trademark of LSEG and is used under license by FTSE.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the Management Company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.
This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.
Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.
However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros

SUB-FUND NO. 7: Lyxor German Mid-Cap MDAX UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

Dist shares: FR0011857234

CLASSIFICATION

Eurozone country equities.
The Lyxor German Mid-Cap MDAX UCITS ETF sub-fund (the "**Sub-fund**") continuously maintains at least 60% exposure to one or more of the equity markets of one or more eurozone countries, which may include France
The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l'autorité des Marchés Financiers (the French financial markets authority) on 23/04/2014 and will be formed on 15/05/2014.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The investment objective is to replicate the performance, whether positive or negative, of the MDAX Index (the "**Benchmark Index**"), denominated in EUR, while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index. It is representative of mid-cap German companies.

The expected ex-post tracking error under normal market conditions is 0.08%.

BENCHMARK INDEX

The Benchmark Index is the MDAX Index.

The Benchmark Index is weighted by market capitalisation and adjusted for free-float. It is representative of the performance of equities that are classified as mid-cap stocks on the DAX exchange on the basis of their market capitalisation and liquidity.

The Benchmark Index is calculated by Deutsche Börse AG
A Dividends Reinvested index includes dividends and all other types of income distribution in the calculation of the index's performance.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on Deutsche Börse AG's website at www.dax-indices.com

Benchmark Index composition and revision

The Benchmark Index's composition is revised quarterly and rebalanced quarterly.
Each index component is weighted by its float-adjusted market capitalisation, with the weight of each component being capped at 10% when the index is rebalanced. The float-adjusted market capitalisation is the market value of the shares issued and available for trading.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every stock exchange trading day.
The Benchmark Index's closing value is available on Deutsche Börse AG's website atwww.dax-indices.com.

The administrator of the Benchmark Index is STOXX Limited.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/2011 of 8 June 2016, the administrator of the Benchmark Index is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's equities will be mainly those that make up the Benchmark Index, and also other international equities, in all economic sectors and listed in all markets, including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

For this Sub-fund, the asset manager mainly intends to use the following assets:

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
  - their inclusion in a major stock exchange index or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)

- diversification criteria, and in particular with respect to:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geographic
  - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

These derivative instruments (including index-linked swaps) may be transacted with Société Générale without having to seek a competitive bid from another counterparty. The Management Company therefore makes no commitment to observe a formal, traceable and verifiable competitive tendering procedure.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

To optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price;
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) This collateral must be sufficiently diversified by country, market and issuer, and no exposure to a single issuer may exceed 20 % of the Sub-fund's net asset value;
(e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution
(ii) invested in high-quality government bonds
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time

(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:

i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of investing mid-cap companies:

The Sub-fund is exposed to medium-capitalisation companies and more specifically to the equity securities of medium and intermediate size enterprises, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply than those of large-cap stocks. The Sub-fund's net asset value could behave similarly and therefore fall more sharply than that of a similar investment in large-capitalisation equities.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments (DFI), such a~~. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.

If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost;
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted.
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.

An investor in the Sub-fund is seeking exposure to the equities of German mid-cap companies.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CURRENCY

Currency	Equities Dist
	EUR

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of the distributable amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Only a whole number of shares may be redeemed.

CURRENCY

Dist shares
Euro

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.
Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement

A subscription or redemption will be delivered and settled within five French business days after reception of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund acquired on the secondary market cannot generally be directly resold to the Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

- a) If shares hare listed on Euronext Paris, as indicated in the "Key Information" part of the "General Characteristics" section of the Sub-fund's prospectus, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The Sub-fund's share are freely negotiable on Euronext Paris under the following conditions and in compliance with the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the shares or units of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their shares or units does not differ significantly from their net asset value. Under Euronext's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%).

Euronext Paris may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris cannot obtain the Benchmark Index's level
- Euronext Paris cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on the Euronext Paris exchange, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange .
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
the Benchmark Index is no longer traded or calculated;
if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris will publish, each Trading Day (as defined below) and during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund’s iNAV throughout the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value and the corresponding exchange rate provided by Reuters.
The share prices of the stocks that make up the Benchmark Index and which are used to calculate the value of the Benchmark Index and therefore to determine the iNAV are provided directly to Reuters by the U.S. exchange where the stocks are listed.
If one or more stock exchanges on which the Benchmark Index’s constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable and if the iNAV cannot be calculated, trading in the Sub-fund’s shares may be suspended.

Lyxor International Asset Management, the Sub-fund’s Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund’s iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG’s calculations to determine the Sub-fund’s iNAV in real time the following Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor’s website at www.lyxoretf.com.

- b) If the Sub-fund’s shares are listed on an exchange other than Euronext Paris, as indicated in the “Key Information” section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the “Key Information” section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the Management Company.

For the Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):
- incentive fees, which the Sub-fund pays to the asset management company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net asset value	0.2% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Incentive fee	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

This financial instrument is not sponsored, recommended, distributed or otherwise supported by Deutsche Börse AG (the "Licensor"). The Licensor grants no guarantee and issues no statement, whether explicit or implicit, regarding the results arising from use of the index and/or the index's registered trademark, or the value of the index at any given time or date, or regarding any other matter. The Index is calculated and published by the Licensor. However, within the limits of the law, the Licensor shall not be liable to all and any third parties in the event of potential errors in the Index. Moreover, the Licensor is under no obligation to report potential errors in the Index to any third parties, including investors.
Neither the publication of the Index by the Licensor, nor the license granted for the Index and its registered trademark for use with the financial instrument or other securities or financial products arising from the index amount to a recommendation by the Licensor for capital investment, nor do they carry, in any way, a guarantee or opinion from the Licensor concerning the advisability of investing in this product.

In its capacity as sole holder of all the rights relating to the Index and the Index's registered trademark, the Licensor has only granted to the financial instrument's issuer the right to use the Index and the Index's registered trademark, together with all and any reference to the Index and its registered trademark in relation to the financial instrument.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the Management Company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.
This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES
The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY
For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY
The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 8: Lyxor Hwabao WP MSCI ChinaA (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES:

Acc share class: FR0011720911
Dist share class: FR0011720937

CLASSIFICATION

Global equities.
The Lyxor Hwabao WP MSCI China A (DR) UCITS ETF fund (the "**Sub-fund**") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l'Autorité des Marchés Financiers on 07/05/2014 and was established on28/08/2014.

SUB-DELEGATED ASSET MANAGER

Hwabao WP Asset Management (Hong Kong) Co., Limited (formerly Fortune SG Asset Management (Hong Kong) Co., Limited), is a limited liability corporation registered in the People's Republic of China, with a "Type 9" licence to manage assets in Hong Kong. It is domiciled at Units 3612 and 3613, 36/F Cosco Tower, No.183 Queen's Road Central, Hong Kong.
The sub-delegated asset manager has a Renminbi Qualified Foreign Institutional Investor (RQFII) license and has been granted a quota of "A share" investments for the Sub-fund.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI China A Net Total Return Index (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 2%.

BENCHMARK INDEX

The Benchmark Index is a free float-adjusted capitalisation-weighted index that is representative of exposure to the performance mid-cap and large-cap A shares.

A shares are the shares of companies that are incorporated in the People's Republic of China, excluding Hong Kong and Macau (the PRC) and which are traded on the Shanghai and Shenzhen stock exchanges and quoted in Chinese yuan (CNY).

The Benchmark Index is representative of A shares that are traded on Shanghai Hong-Kong Stock Connect or Shenzhen Hong-Kong Stock Connect exchanges (the "Stock Connect Programmes") and which are components of the MSCI China All Shares Index.

The MSCI China All Shares Index is representative of mid-cap and large-cap companies within the universe of companies incorporated in China, or outside of China but which MSCI considers to be Chinese. This universe includes shares listed on the Hong Kong, Shanghai and Shenzhen exchanges or on exchanges outside of China.

The Benchmark Index is a free float-adjusted capitalisation-weighted index, which means that the weight of each of its components is proportional to its free-float market capitalisation.

The Benchmark Index is a Net Dividends Reinvested index. A Net Dividends Reinvested index includes net dividends and all other types of income distribution in the calculation of the index's performance.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index constituents are available on the Internet at http: //www.msci.com/products/indices/country_and_regional/domestic_equity_indices/china/

Benchmark Index composition and revision

The Benchmark Index is revised quarterly, in accordance with the methodology described in the Benchmark Index Rulebook, which is available MSCI's website at www.msci.com.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication:

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index's daily fixing is available through Reuters and Bloomberg.
The Benchmark Index's closing price is available on the Internet at http: //www.msci.com.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, MSCI Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents and/or to reduce the operational constraints of investing in the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website atwww.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

Investors should also note that the Sub-fund's sub-delegated asset manager is a Renminbi Qualified Foreign Institutional Investor (hereinafter "RQFII") and has a license as such (an "RFQII License") that is valid in the People's Republic of China ("PRC") and is allotted a RQFII quota specifically for the Sub-fund's investments (the "Quota") that will enable the sub-delegated asset manager, acting in the Sub-fund's name and on its behalf, to implement the aforementioned Invested Strategy. More specifically, and subject to the risks indicated in the Risk Profile section below, the aforementioned RQFII License and Quota will enable the sub-delegated asset manager to:

- Invest in A-shares, in the Sub-fund's name and on its behalf, subject to the terms and within the limits of the License and Quota, with no minimum holding period requirement
- Repatriate into and out of PRC the amount of funds the Sub-fund needs to buy or sell A-shares, every business day in PRC and effect any foreign exchange transactions that are required to convert funds in RMB into the currency of the relevant share class.

In order to implement the investment strategy described above, the Sub-fund's sub-delegated asset manager may also invest in A-shares via the common trading platforms of the Stock Connect Programmes The Stock Connect Programmes enable investors outside of the PRC to invest in A shares traded in RMB on the Shanghai and Shenzhen exchanges, without necessarily requiring a RQFII Licence and Quota.

Investors may obtain more information on the terms that govern the sub-delegated asset manager's transactions in Chinese A-shares, under the RQFII Licence and Quota, and/or under the rules of the Stock Connect Programmes, upon written request to the Management Company.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

• Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

• The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

• Eligible markets:
☒ regulated
☒ organised

☒ over-the-counter

• Risks which the Sub-fund may seek to hedge or gain exposure to:
☒ equity
☐ interest rates
☐ currency
☐ credit

• Purpose (all transactions must be consistent with the investment objective)
☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

• Types of instruments used:
☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

• Strategy for using derivatives to achieve the investment objective:
☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

To optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10 % of its net assets.

7. Securities financing transactions

The fund manager will not engage in securities financing transactions.

8. Collateral contracts

The Sub-fund will not give or receive any collateral for the purpose of its investment management.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in in the financial instruments selected by the asset manager. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Specific risk of investing in the People's Republic of China:

Investors in the Sub-fund should be aware of the following risks inherent to investments in the People's Republic of China (**PRC**):

- RQFII risk

The Sub-fund's capacity to achieve its investment objective depends among other things on the RQFII quota it is allotted. If the Sub-fund's RQFII quota is too small this could adversely affect the Sub-fund's operation. PRC regulations governing RQFII status may also be amended at any time by the China Securities Regulatory Commission (**CSRC**) and/or, with respect to foreign exchange, by the State Administration of Foreign Exchange ("**SAFE**") bureau, which could adversely affect the Sub-fund's capacity to achieve its investment objective and result in its dissolution. In particular, RQFII status means that any increase in the investment quota is subject to SAFE's authorisation. If the Sub-fund wishes to increase its quota it may take quite a long time to obtain SAFE's approval. Any restriction on the quota that the Sub-fund has been granted may affect its investments. Such a restriction may therefore affect the trading of the Sub-fund's shares on an exchange, which could, in such circumstances and depending on the exchange's rules, trade at more than their Net Asset Value. Lastly, if the sub-delegated asset manager loses its RQFII licence, if the RQFII quota is reduced, or if RQFII requirements are significantly increased, the Board of Directors may decide to dissolve the Sub-fund, subject to the AMF's approval.

- Risks of the Stock Connect Programmes

The Sub-fund's capacity to achieve its investment objective depends among other things on whether or not A-shares can be traded via the Stock Connect Programmes. The Stock Connect Programmes are currently subject to a daily quota on the net total of buy orders executed. If this quota is exceeded on a given Stock Connect Programme, buy orders on that Programme will be automatically suspended (at least temporarily), which could impair the Sub-fund's capacity to achieve its investment objective.

- Economic, political and social risks

Any political change, social instability and/or unfavourable diplomatic, political, economic and/or social development which may occur in or in connection with PRC (hereinafter a "Policy Change") could result in the imposition by the Chinese government of additional restrictions and limits, such as expropriation, confiscatory taxes or the nationalisation of certain companies included in the Benchmark Index. Investors should also note that a Policy Change may have an adverse impact on PRC stock exchanges and on the Sub-fund's performance and could ultimately result in the Sub-fund's dissolution by decision of the Board of Directors**.**

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- Economic risks in PRC

The PRC economy has grown very rapidly. It is, however, not certain that this growth will continue and it may be irregular across the different sectors of the PRC economy. The PRC government has from time to time put in place various measures to prevent an excessively sharp acceleration of the business cycle and the transition of the country's economy from a socialist economy to one that it more market-oriented has caused economic and social tensions that could stop this transition or compromise its success. Any of these risks could diminish the Sub-fund's performance.

- Capital repatriation risks

The system for repatriating capital is subject to the approval of the Chinese SAFE authorities and to the risk that the repatriation of capital may be restricted in terms of amount or frequency (as of the date of the Sub-fund's inception RQFII regulations do however allow capital to be repatriated daily without requiring approval).

Furthermore, the regulations and standard economic practices in PRC that govern the repatriation of funds from the domestic Chinese market to other markets and their conversion into a foreign currency could be modified in a way that adversely affects the Sub-fund.

The unfavourable regulatory developments and situations described above could suspend or restrict the conversion or transfer of foreign currencies and could possibly:

(i) diminish the Sub-fund's capacity to fully achieve its investment objective
(ii) diminish the Sub-fund's performance
(iii) ultimately result in the Sub-fund's dissolution, by decision of the Board of Directors.

Capital gains and other capital increases are also subject to this risk.

- PRC legal system risk

The legal system in PRC is based on statutory law. However, some regulations have yet to be implemented and there is no assurance that they will actually ever be implemented in their entirety. In particular PRC regulations on the control of exchange rates are relatively recent and their application is still quite uncertain. Moreover, these regulations give the Chinese authorities (and in particular CSRC and SAFE) broad discretion in their respective interpretation of the regulations, which leaves uncertainty as to how they might be applied and used. Any of these risks could diminish the Sub-fund's performance.

- State control of exchange rates and of future exchange rate movements

Under the current RQFII system offshore RMB (CNH) can be converted into onshore RMB (CNY) and vice-versa on a one-for-one basis. The CNH also serves as a pivot currency between the share class currencies (USD and CNY). There is no guarantee that in the future an exchange rate will not be applied to the conversion of CNH into CNY or vice-versa.

- Dependence on the A-shares market

The existence of a liquid market for A-shares depends on the supply of and demand for A-shares. It should be noted that the Shanghai and Shenzhen stock exchanges, on which the A-shares are listed, are undergoing huge changes and that their market capitalisations and trading volume are less than those of developed country exchanges. The volatility of A-share markets and any difficulty in trading A-shares or in settling A-share trades could result in significant fluctuations in the price of the securities traded in these markets, and ultimately in the Sub-fund's Net Asset Value.

- Taxation in the PRC

Several tax reforms have been introduced by the PRC government in recent years. The current tax rules may be revised or amended in the future.

Furthermore, the PRC's tax authority (the "State Administration of Taxation") has confirmed the 10% withholding tax on dividends, premiumsand interest paid to investors with RQFII status (subsequent to the "PRC Corporate Income Tax Law", which came into effect on 1 January 2008) or who invest via the Shanghai Hong-Kong Stock Connect (subsequent to Caishui circular [2014] No. 81).

This withholding tax may be reduced by virtue of a double taxation treaty with China, provided that certain conditions are met and subject to the approval of PRC tax authorities.

It should also be noted that any dividends paid to shareholders by the Sub-fund will be obtained from the receipt of corresponding amounts from the investment in the A-sharesand that all amounts of this kind will be net of the withholding tax on dividends, premiums and interest applicable in the PRC.

Concerning the taxation of share sales, on 14 November 2014, the PRC Ministry of Finance and tax authority issued circulars, which among other things specified the tax treatment to be applied to capital gains from the sale of "A-Shares"purchased subject to anRQFII quota or via the Shanghai Hong-Kong Stock Connect, the following should in particular be note:

- Capital gains on sales before 17 November 2014 are taxable
- Capital gains on sales as of 17 November 2014 are temporarily tax except.

Since the PRC tax authority has not made a definitive pronouncement on how the tax would be calculated or collected, nor on the duration of the exemption, investors should note that:

a) the Sub-fund’s Net Asset Value may be adversely affected by a change in PRC tax rules
b) the adverse impact on the Sub-fund’s performance resulting from a change in PRC tax rules will depend on the date the Sub-fund’s shares are bought or sold
c) the magnitude of this adverse impact on the Sub-fund’s performance may not be proportional to the number of shares that an investor holds in the Sub-fund if tax obligations in PRC are amended retroactively and, in certain circumstances, could amount to 100% of the Net Asset Value of a share class.

The asset manager by delegation has made a 10% provision on the Sub-fund’s capital gains up to 14 November 2014.Furthermore, it should be noted that although the PRC tax authority has confirmed the temporary exemption of withholding tax on capital gains on share sales as of 17/11/2014, there is no way of knowing with certainty what investor obligations will bewith respect to PRC’s taxation of capital gains on share sales before 17/11/2014.Until further information is provided on the taxation and calculation of withholding tax on capital gains before 17 November 2014, there can be no assurance as to whether the aforementioned provision is sufficient or not, since it cannot currently be known with certainty what obligations may be imposed on investors with RQFII status in respect of the PRC’s taxation of capital gains. If the provision made proves to be insufficient, this could adversely affect the Sub-fund’s Net Asset Value. However, and as is the case for any mutual fund that complies with Directive 2009/65/EC, the Sub-fund’s shareholders can lose no more than the capital they invest and the expense of purchasing and selling shares.

Furthermore, since Chinese tax authorities have only confirmed a temporary exemption of the taxation of capital gains made as of 17 November, the asset manager by delegation may decide to make a provision if Chinese tax authorities specify the duration of the exemption or amend this temporary rule in part or in whole. In this event, such a provision would adversely affect all of the Sub-fund’s net asset values calculated as of the date of the first provision. Such a provision would also reduce the Sub-fund’s performance relative to that of the Benchmark Index.

In addition to the withholding tax on dividends, premiums, interest and capital gains referred to above, since 19 September 2008 the sellers of A-shares have been required to pay a stock market tax of 0.1% of the share price.PRC authorities may decide to modify this tax.

- Accounting and reporting standards:

The standards and practices for accounting, auditing and the reporting of financial information that apply to PRC companies may differ from those of countries with more developed financial markets. Such differences can adversely affect certain practices such as asset valuation methods and the reporting of information to investors.

- Order execution risk in PRC

Under RQFII regulations, the sub-delegated asset manager must select one or more intermediaries (“**Brokers**) in PRC to execute stock-market orders involving A-shares on the Shanghai Stock Exchange and the Shenzhen Stock Exchange. The sub-delegated asset manager may select the same broker for transactions on both of these exchanges. If a Broker defaults, the Sub-fund may have difficulty recovering its assets, which could adversely affect its valuation.
Société Générale and the sub-delegated asset manager have procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

- Custody risk in PRC

Under RQFII regulations, a sub-custodian in PRC must be selected. Thesub-custodian selected is Bank of China Limited, which in this capacity holds the Sub-fund’s onshore RMB and securities accounts in PRC. Under RQFII regulations, these accounts must be registered jointly in the names of the sub-delegated asset manager (which has the RQFII license) and the Sub-fund. There is therefore a risk that the assets held in PRC may not be as well protected as if they were registered in the Sub-fund’s name only.

When, pursuant to the investment strategy, the sub-delegated asset manager purchases and/or sells A-shares via the Stock Connect Programmes, the sub-custody in relation to these transactions may be entrusted to a sub-custodian other than Bank of China Limited (the "Third Party Sub-custodian").In this case, the Sub-fund’s accounts with theThird-Party Sub-custodian will be opened in the joint name of the Depositary and the Sub-fund.

- Risk that trading is suspended

Trading in the benchmark index constituents may be temporarily suspended, making it impossible for the Sub-fund to value these securities correctly and/or buy or sell them.

Other risks in investing in this Sub-fund:

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Risk of investing in small and mid-cap companies

The Sub-fund is exposed to small-cap and mid-cap companies, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply and more rapidly in response to market movements than do the prices of large-cap stocks. The Sub-fund’s net asset value could behave similarly and therefore fall more sharply than that of a similar investment in large-capitalisation equities.

- Low Benchmark Index diversification risk

Since the index to which investors are exposed represents a given region, sector and strategy it may provide less diversification of assets in comparison with a broader index that is exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents and in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from that Benchmark Index.

- Emerging Market Risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

- Currency risk associated with listing exchanges

The Sub-fund may be listed on an exchange or multilateral trading facility in a currency that is not the currency of the Benchmark Index. Investors who purchase shares in the Sub-fund in a currency that is not that of the Benchmark index are exposed to currency risk. As a result, due to changes in exchange rates the value of an investment that is made in a currency other than that of the Benchmark Index may decrease even though the value of the Benchmark Index increases.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also affect the process of subscriptions, conversions and redemptions of shares.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:

- the calculation of the Benchmark Index is suspended or stopped
- trading in the market(s) in the Benchmark Index's underlying assets is suspended
- an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
- a market maker fails to comply with an exchange's rules
- an exchange's IT, electronic or other system fails.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

The Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk.These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk due to a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the Sub-fund's estimated taxation and its actual taxation may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of units or shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying constituents or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index constituent becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted)
vi) the Benchmark Index constituents are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a constituent of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors .

Investors in this Sub-fund are seeking upside and downside exposure to performance of the large caps on the A-shares market, namely, shares issued by companies incorporated in the People’s Republic of China, excluding Hong Kong.

The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: Accumulation.
Dist share class: If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute all or part of income in one or more distributions annual.

SHARE CHARACTERISTICS

Subscription orders must be placed for a monetary amount or for a whole number of shares.
A whole number of shares must be redeemed.

SHARE CURRENCIES

Share class	**Acc share class**	**Dist share class**
Share currency	USD	USD

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 business day	D-1 business day	D: the day that NAV is calculated	D+1 business day	D+5 business days	D+5 business days
Subscription orders are processed if received by 6:30 pm[1]	Redemption orders are processed if received by 6:30 pm[1]	Orders are executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

[1]Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund’s net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a “Primary Market Day”) and will be executed at the net asset value on the following Primary Market Day, hereinafter the “reference NAV”. Subscription/redemption orders submitted after 6:30pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm on the following Primary Market Day.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the “Cash and in-kind transactions” sub-section of the “PRIMARY MARKET TRANSACTIONS” Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement

The delivery and settlement of subscriptions and the settlement/delivery of redemptions shall be completed within five French business days after receipt of the subscription or redemption orders.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the closing prices of the Benchmark Index components and the WM Reuters fixing for the USDCNH exchange rate at 5:00 pm CET . The Sub-fund's net asset value is denominated in USD.

The net asset value of a unit class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the accounting currency and the currency of the unit class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund acquired on the secondary market cannot generally be directly resold to the Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares or units in the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's constituents
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

(a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" part of the "General Characteristics" section of the Sub-fund's prospectus, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level

- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:
Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which NSYE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9.05 am to 5.35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Solactive AG with all the financial and accounting data that EuronextParis SA needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.
Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at http: //www.lyxoretf.com.

(b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the asset manager, the marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(7) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(8) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(9) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, charged to the Sub-fund

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management fees and administration fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net asset value	0.35% annual
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

Euronext Paris SA will publish the Sub-fund’s indicative net asset value , each Trading Day (as defined below) during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The LYXOR Hwabao WP MSCI CHINA A (DR) UCITS ETF sub-fund (the “Sub-fund”) is in no way sponsored, endorsed, sold or promoted by MSCI Inc. (“ MSCI”), nor by any MSCI subsidiary, nor by any entity involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares of mutual funds in general or in shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES

GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE
NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are accepted for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Multi Units France fund prospectus, the Key Investor Information Document and the most recent annual reports will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the asset manager's website and in the Multi-Unit France fund annual report.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com. The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on regulatory documents and the protection of investors.
This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the Sub-fund's overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.
Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded. However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities repurchase and reverse repurchase transactions are valued at the market price.
- Shares and units in investment funds subject to French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in Renminbi (RMB) is the WM Reuters fixing rate at 9:00 a.m. GMT published by Thomson Reuters on the day the Sub-fund’s net asset value is determined.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

SUB-FUND NO. 9: LYXOR MSCI WORLD EX EMU UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES

Acc share class: FR0013209921
Dist share class: FR0013209939
Monthly Hedged to EUR - Acc share class: FR0013209947
Monthly Hedged to EUR - Dist share class: FR0013209954
Monthly Hedged to GBP - Acc share class: FR0013209962
Monthly Hedged to GBP - Dist share class: FR0013209970
Monthly Hedged to CHF - Acc share class: FR0013209988
Monthly Hedged to CHF - Dist shares class: FR0013209996

CLASSIFICATION

Global equities.
The Lyxor MSCI World Ex EMU UCITS ETF fund (the "**Sub-fund**") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l'Autorité des Marchés Financiers (the French financial markets authority) on 10 October 2016.
It was created on 24 October 2016.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI World ex EMU Net Total Return index (hereinafter the "**Benchmark Index**") denominated in USD and representative of the performance of medium and large capitalisation companies listed on the stock markets of developed countries, excluding those of the eurozone, while minimising the tracking error between the Sub-fund and the Benchmark Index.

The expected ex-post tracking error, under normal market conditions, is 0.07%.

BENCHMARK INDEX

The Benchmark Index is a Net "Total Return" index (i.e. the net dividends from the Benchmark Index constituents are reinvested).

The Benchmark Index is an equity index that is calculated and published by the global index provider MSCI.
It measures the overall performance of equity markets in the developed countries, except for those of the eurozone. It covers approximately 85% of each country's total stock market capitalisation.

The Benchmark Index is composed of multiple MSCI indices each of which represents countries which MSCI considers to be "developed", while excluding those of the eurozone.

The weighting of each stock in the Benchmark Index is adjusted in line with its free-floating market capitalisation. As a result the number of stocks in the Benchmark Index can change over time.

The MSCI methodology and calculation method are based on a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index constituents are available on the Internet at https://www.msci.com/.

The performance tracked is that of the Benchmark Index's closing price.

BENCHMARK INDEX COMPOSITION AND REVISION
The Benchmark Index is rebalanced quarterly.
The exact composition and the rules concerning Benchmark Index revisions are published by MSCI and are available on its website at https://www.msci.com/.
The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

BENCHMARK INDEX PUBLICATION
The Benchmark Index is calculated daily at the close of trade using the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every stock exchange trading day.
The closing price of the Benchmark Index is available on MSCI's website at https://www.msci.com/.

The administrator of the Benchmark Index is MSCI Limited.
Pursuant to European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of assets held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund can hold in its portfolio global equities in all economic sectors and listed on any exchange, including "small-cap" exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, including:
  - their inclusion in a major stock exchange index or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)

- diversification criteria, and in particular with respect to:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("**UCITS**") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit up to 20% of its assets in the form of cash with credit institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Financial guarantees

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. More specifically, all collateral received must meet the following conditions:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price.
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied.
(c) The collateral must be issued by an entity that is independent from the counterparty and must not be highly correlated with the counterparty's financial performance.
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) The Sub-fund's Management Company must be able to fully enforce the collateral at all times without the prior consultation or approval of the counterparty.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
(ii) bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
(iii) shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
(iv) the shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(v) bonds issued or guaranteed by top-rated issuers that offer sufficient liquidity
(vi) shares admitted for trading or traded on a regulated market of an EU Member State, on a securities exchange of an OECD Member State, or on a securities exchange of a non-OECD country provided that the conditions of points (a) to (e) above are fully met and that these shares are a component of a leading stock index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of this discount will depend on the following criteria:

- the type of asset provided as collateral
- the maturity of the asset provided as collateral (if relevant)
- the credit rating of the issuer of the asset provided as collateral (if relevant).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution
(ii) invested in high-quality government bonds
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (**DFI**) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also adversely affect share subscription, conversion and redemptions.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares traded on a given exchange may be adversely affected by a suspension in trading for various reasons, such as:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of investing in small and mid-cap companies

The Sub-fund is exposed to small and medium capitalisation companies and more specifically to the equity securities of small, medium and "intermediate" size enterprises, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply than those of large-cap stocks. The Sub-fund's net asset value could behave similarly and therefore fall more sharply than that of a similar investment in large-capitalisation equities.

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs:

- Derivatives risk

In order to secure the Benchmark Index returns and achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These derivatives involve various risks, such as counterparty risk, hedging disruption, index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the Sub-fund's taxation. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund (and/or of the Sub-fund's DFI counterparty) may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of the Sub-fund's shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to this Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted.
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

- Currency hedging risk on the Monthly Hedged to EUR - Acc , Monthly Hedged to EUR - Dist, Monthly Hedged to GBP - Acc, Monthly Hedged to GBP - Dist, Monthly Hedged to CHF - Acc and Monthly Hedged to CHF - Dist share classes:

To hedge the EUR currency risk (and respectively the GBP and CHF currency risk) against the currency of each of the securities that make up the Benchmark Index for the relevant Monthly Hedged share class, the Sub-fund will employ a hedging strategy that enables it to reduce the impact of a change in the exchange rate between the currency of each of the securities that make up the Benchmark Index and the currency of that share class. However, given the monthly adjustment of the hedging and the hedging instruments employed this does not necessarily ensure zero exposure to adverse market movements that may decrease the net asset value of the share class. The cost of hedging currency risk will also decrease the net asset value of the Monthly Hedged share classes.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is This Sub-fund is available to all investors.
Investors in this Sub-fund seek exposure to the financial performance of mid-cap and large-cap companies listed on developed country exchanges, excluding those of the eurozone countries.
The amount that should reasonably be invested in this Sub-fund depends on the personal situation of each investor. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CURRENCY

Currency	Acc share class	Dist share class	Monthly Hedged to EUR - Acc and Monthly Hedged to EUR - Dist share classes	Monthly Hedged to GBP - Acc and Monthly Hedged to GBP - Dist share classes	Monthly Hedged to CHF - Acc and Monthly Hedged to CHF - Dist share classes
	USD	USD	EUR	GBP	CHF

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all amounts available for distribution are reinvested.
Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. All net capital gains realised will be accumulated.
Monthly Hedged to EUR - Acc share class: all amounts available for distribution are accumulated
Monthly Hedged to EUR - Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. all net capital gains realised will be accumulated.
Monthly Hedged to GBP - Acc share class: all amounts available for distribution are accumulated.
Monthly Hedged to GBP - Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. all net capital gains realised will be accumulated.
Monthly Hedged to CHF - Acc share class: all amounts available for distribution are accumulated.
Monthly Hedged to CHF - Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. all net capital gains realised will be accumulated.

DISTRIBUTION FREQUENCY

The Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions are made in whole numbers of shares.

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 bus. day	D-1 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary until 6:30 pm (Paris time), every day that the Sub-fund’s net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a “**Primary Market Day**”) and will be executed at the net asset value on the following Primary Market Day, hereinafter the “**reference NAV**”. Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received by 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares, and, for share classes denominated in USD, GBP and CHF, for a minimum amount in USD, GBP, CHF respectively that is equivalent to 100,000 EUR.
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Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the “Cash and in-kind transactions” sub-section of the “PRIMARY MARKET TRANSACTIONS” Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement.
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days after the subscription or redemption order is received.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund’s net asset value is calculated using the Benchmark Index’s closing price.
The net asset value of a share class that is denominated in another currency than the Sub-fund’s accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund made directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund acquired on the secondary market cannot generally be directly resold to the Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value wh8en selling shares or units.

If the stock market value of a listed fund’s shares or units differs significantly from their indicative net asset value, or if trading in the fund’s shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "*Subscription and Redemption Fees(charged only on primary market transactions)*".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "*Subscription and redemption fees (charged only on primary market transactions*", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on The Euronext Paris exchange, as indicated in the "Key Information" section, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers
The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are set forth in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 "Appendix to the Euronext Market Trading Manual"
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's Indicative Net Asset Value by more than 3%.

Euronext Paris may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris cannot obtain the Benchmark Index's level
- Euronext Paris cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris market.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris to ensure that the Sub-fund maintains:
- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum par value of EUR100,000 on the buy and sell side.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "**iNAV**"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which NYSE Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is normally calculated and published.

To calculate the Sub-fund's iNAV throughout the Paris trading session (9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.
Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, depending on the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern the share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

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- If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking, in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x the number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage fees, stock market taxes etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below).
incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives.
account activity charges, which are charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum rate for the Acc and Dist share classes	Maximum rate for the Monthly Hedged to EUR - Acc , Monthly Hedged to EUR - Dist, Monthly Hedged to GBP - Acc, Monthly Hedged to GBP - Dist, Monthly Hedged to CHF - Acc and Monthly Hedged to CHF - Dist share classes
Asset management fees and administration fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net asset value	0.35% annual	0.45% annual

Of which administration fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees)	Net asset value	0.12% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Incentive fee	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("**MSCI**"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any representation or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares or units of investment funds in general or in the shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or of the holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENCE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. WITHOUT PREJUDICE TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted for clearing by Euroclear France S.A.
Subscription and redemption orders are sent to the Depositary by the investors' financial intermediaries (members of Euroclear France SA).

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request submitted to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) contains additional information on the relevant regulatory documents and investor protection measures.
This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities. Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("**NDS**") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. The Management Company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. The Management Company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (*bons de caisse*), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been adjusted, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund’s base currency are the WM Reuters fixing rates published on the day the Sub-fund’s net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in USD.

SUB-FUND NO. 10: LYXOR DJ GLOBAL TITANS 50 UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Dist share class: FR0007075494

CLASSIFICATION

Global equities.

The Lyxor DJ Global Titans 50 UCITS ETF sub-fund (the "**Sub-fund**") continuously maintains at least 60% exposure to one or more foreign equity markets, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 08/02/2018 and will be established on 23/03/2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The investment objective of the Lyxor DJ Global Titans 50 UCITS ETF Sub-fund is to replicate the performance, whether positive or negative, of the Dow Jones Global Titans 50 Total Return index (the **"Benchmark Index")** denominated in euros, while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

The Benchmark Index is the Dow Jones Global Titans 50 Total Return index denominated in euros.
The Benchmark Index is a "Total Return" index, i.e. the dividends from the Benchmark Index constituents are reinvested.
The Benchmark Index is a capitalisation-weighted index of global multi-national companies that replicates the performance of the world's 50 largest companies selected from 18 sectors. Nine countries are represented in the index.
The stocks are selected by Dow Jones on the basis of the following four criteria:

- relatively low risk and share price volatility
- global leadership in their sector
- earnings stability
- broad global diversification.

The Benchmark Index is published by Dow Jones from Monday to Friday and was the first global index on which futures were traded.
The performance tracked is that of the closing prices of the equities that make up the Benchmark Index.
A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at https://us.spindices.com.

Benchmark Index publication

The Benchmark Index's closing price is available on the Internet at https://us.spindices.com.

The administrator of the Benchmark Index is S&P DJI LLC.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/2011 of 8 June 2016, the administrator of the Benchmark Index is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index components are revised quarterly by DJI Opco, LLC.
The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

The exact composition of the Benchmark Index and Dow Jones rules for index rebalancing are available on the internet at https://us.spindices.com.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in which the Sub-fund may invest include those that make up the Benchmark Index, and also other international equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)
In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in a major stock exchange index or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price

(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;

(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution
(ii) invested in high-quality government bonds
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
(iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the delegated asset manager. These instruments are subject to market trends and contingencies. Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund’s on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund’s shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund’s indicative net asset value and/or
iv) a market maker fails to comply with an exchange’s rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

  - Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments (“DFI”), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund’s net asset value.

  - Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

  - Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund’s underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund’s counterparty to the DFI, the Sub-fund’s net asset value may be affected.

  - Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

  - Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

  - Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund’s shares. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund’s net asset value.
A ‘Benchmark Index event’ includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index’s performance.

  - Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Benchmark Index currency risk

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency that is different from that of the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Exchange rate fluctuations can therefore have a negative impact on the Benchmark Index tracked by the Sub-fund.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .
Investors in this sub-fund are seeking exposure to global equity markets.

The amount that you may reasonably invest in this sub-fund depends on your personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this sub-fund’s risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share classes: If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Dist class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor DJ Global Titans 50 UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Dist share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 bus. day	D-1 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for units in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time) every day that the Sub-fund’s net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **“Primary Market Day”**), and will be executed at the net asset value of the following Primary Market Day (hereinafter the “**reference NAV**”). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and represent at least the USD equivalent of 100,000 EUR for the Dist share class.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the “Cash and in-kind transactions” sub-section of the “PRIMARY MARKET TRANSACTIONS” Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 5.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's Indicative Net Asset value or "iNAV"(see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 3% between the bid and offer price in the centralised order book

- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris will publish for each Trading Day (as defined below), the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**) during trading hours). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

As the Sub-fund's delegated asset manager, Lyxor International Asset Management will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

Solactive AG will use these data in its calculations to establish, each subsequent Trading Day, the Sub-fund's iNAV, which is updated in real time.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):
- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.40% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 91-93, boulevard Pasteur, 75015 Paris – France

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The LYXOR DJ GLOBAL TITANS 50 UCITS ETF sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Dow Jones.
Dow Jones assumes no obligation and provides no warranty, either express or implied, in respect of the results that may be obtained from using the Dow Jones Global Titans Net Total Return index (hereinafter "the Index" and/or the level of said Index at any given time or day, or of any other type. The Index is calculated by and in the name of Dow Jones. Dow Jones will not be held responsible or liable (whether due to negligence or for any other reason) for any error that affects the Index with regard to any party whomsoever and will not be obliged to inform any party whomsoever of any error that may affect the Index.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT

91-93, boulevard Pasteur, 75015 Paris – France.
e-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the “Publication Date” section

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.
This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES
The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.
Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.
However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY
For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY
The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 11: LYXOR SMI DAILY (-2X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010869438

CLASSIFICATION

The Lyxor SMI Daily (-2x) Inverse UCITS ETF sub-fund (the **"Sub-fund"**) is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to give inverse exposure with daily 2x leverage (positive or negative) to the Swiss equity market, by replicating the movement of the SMI Daily Short Leverage index (the **"Benchmark Index"**), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.
The SMI Daily Short Leverage Benchmark Index replicates the inverse of the performance of the SMI® Swiss Market Index Total Return (the "**Parent Index**") with a 2x daily leverage effect, which means that if underlying index increases 2% on a given day, the leveraged index will decrease 4%, less the borrowing costs for that day, and vice-versa.
The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the SMI Daily Short Leverage strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying equities) denominated in Swiss francs (CHF). .
The Benchmark Index is index defined and calculated by SIX Swiss Exchange SA.

The Benchmark Index provides daily inverse exposure to increases and decreases in the Parent Index with a daily double leverage effect. Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase by twice as much that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease by twice as much that day and investors will not benefit from the increase in the Parent Index.
The Parent Index is capitalisation-weighted with free-float adjustment. It covers 20 of the largest and most liquid shares which represent about 85% of the total capitalisation of the Swiss equity market. The index is calculated in real time in Swiss francs and is available atwww.six-swiss-exchange.com.

The performance of the Benchmark Index is equal to double the inverse daily performance of the Parent Index, together with total interest (SAR Swiss Average Rate On® paid daily on 3x the closing value of Parent Index. It is therefore constitutes a short position strategy against the Parent Index, with 2x leverage and daily rebalancing. Additional rebalancing will be performed during the session if the Parent Index rises by more than 25% during a trading day in relation to the previous closing price of the preceding trading day.
A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet athttp://www.six-swiss-exchange.com/indices/data_centre/strategy_indices/leveraged_indices_en.html and http://www.six-swiss-exchange.com/indices/data_centre/shares/smi_family_fr.html

The monitored performance is based on the closing prices of the index in Swiss francs.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The closing price of the Benchmark Index is available on the Internet at https://www.six-group.com/exchanges/indices/data_centre/index_overview.html.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/2011 of 8 June 2016, the administrator of the Benchmark Index is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The composition of the SMI Daily Short Leverage index is dependent on the revision of the Benchmark Index.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.
The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.
The Parent Index is revised daily.
The exact composition of the Parent Index and SIX Swiss Exchange's rules for revising its composition, and consequently that of the Benchmark Index are available on the Internet at https://www.six-group.com/exchanges/indices/data_centre/index_overview.html.

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may include the securities that make up the Parent Index, as well as other international equities across all economic sectors, listed on any exchange, including small-cap exchanges

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date, using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including "small-cap" exchanges.
The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in a major stock exchange index or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("**UCITS**") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.
To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund’s on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund’s shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund’s indicative net asset value and/or
iv) a market maker fails to comply with an exchange’s rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Most notably, any increase in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily readjustment in the underlying ’double short’ index formula implies that the Sub-fund’s performance will not be equivalent to two times the inverse performance of the Parent Index exposure for holding periods greater than one business day. For example, if the Parent Index increases 10% on a given business day and then decreases of 5% the following business day, the Sub-fund’s net asset value will decline by 12% (before the deduction of relevant fees) over these two days, while the Parent Index will have risen 4.5% over the same period.
If the Parent Index falls 5% per day over two consecutive business days, it will have decreased a total of 9.75%, whereas the Sub-fund will have gained a total of 21% over this period (before the deduction of relevant fees).

Negative scenario 1 — The Parent Index increases and the leverage effect is negative is greater than 2

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	-20%	80	x-2
Day 2	-5%	104.5	10%	88	x-2
Total return	4.50%		-12.00%		x-2,67

Negative scenario 2 — The Parent Index decreases and the leverage effect is negative is less than 2

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-10%	90	20%	120	x-2
Day 2	6%	95.4	-12%	105.6	x-2
Total return	-4.60%		5.60%		x-1,22

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario — The leverage effect is positive over the period

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	5%	105	-10%	90	x-2
Day 2	-5%	99.75	10%	99	x-2
Total return	-0.25%		-1.00%		x4

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments (“DFI”), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund’s underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund’s counterparty to the DFI, the Sub-fund’s net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund’s shares. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund’s net asset value.
A ‘Benchmark Index event’ includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors.
Investors in this Sub-fund seek exposure to the Swiss equity market, with a leverage effect of + or - 2.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks. Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor SMI Daily (-2x) Inverse UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

	Acc share class
Currency	CHF

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, at 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"**, and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received before 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for an amount that is at least the CHF equivalent of 100,000 EUR.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in CHF.
The net asset value of the unit classes that are denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated .

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 5.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section), the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris will publish for each Trading Day (as defined below), the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**) during trading hours). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

As the Sub-fund's delegated asset manager, Lyxor International Asset Management will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

Solactive AG will use these data in its calculations to establish, each subsequent Trading Day, the Sub-fund's iNAV, which is updated in real time.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of the CHF equivalent of EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either the CHF equivalent of EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1)Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or in this S, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 91-93, boulevard Pasteur, 75015 Paris – France

The Sub-fund's net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The LYXOR ETF DAILY DOUBLE SHORT SMI fund is in no way sponsored, approved, sold or recommended by SIX Swiss Exchange SA, which does not guarantee (either expressly or tacitly) the results of using the SMI® index (hereinafter the "Index") or the level reached by the Index at any time or date. SIX Swiss Exchange SA accepts no responsibility for errors that may nevertheless, through negligence or otherwise, appear in the index. In addition, SIX Swiss Exchange SA has no obligation to draw attention to such errors.

SIX®, SIX Swiss Exchange®, SPI®, Swiss Performance Index (SPI)®, SPI EXTRA®, SPI formerly SLI®, Swiss Market Index (SMI)®, SMIM®, SMI MID (SMIM)®, SMI Expanded®, SLI®, SLI Swiss Leader Index®, SXI®, SXI LIFE SCIENCES®, SXI Bio+Medtech®, SBI®, SBI Swiss Bond Index®, VSMI®, SWX Immobilienfonds Index® and SWX Quotematch® are trademarks registered in Switzerland and/or overseas for SIX Group SA respectively SIX Swiss Exchange SA. Their use requires a licence.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
e-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.
This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded. However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.

- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund’s base currency are the WM Reuters fixing rates on the day the Sub-fund’s net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY
For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY
The Sub-fund’s accounts are kept in CHF.

SUB-FUND NO. 12: LYXOR DAILY SHORTDAX X2 UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010869495
I-USD share class: FR0010883157

The Lyxor Daily Shortdax x2 UCITS ETF sub-fund (the **"Sub-fund"**) is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to give inverse exposure (positive or negative), with double daily leverage, to the German equity market, by replicating the performance of the ShortDAX x2 benchmark index (the "**Benchmark Index**"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index. The Benchmark Index replicates the inverse performance of the DAX® index (the "**Parent Index**") with a daily double inverse leverage effect. This means that if underlying index increases 2% on a given day, the leveraged index will decrease 4%, less the borrowing costs for that day, and vice-versa.
The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the ShortDAX x2 strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying equities) denominated in euros (EUR).
The Benchmark Index is constructed and calculated by Deutsche Börse AG.

The Benchmark Index provides daily inverse exposure to increases and decreases in the Parent Index with a daily double leverage effect. Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase by twice as much that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease by twice as much that day and investors will not benefit from the increase in the Parent Index

The Parent Index is composed of the 30 largest German stocks. These companies are the most actively traded stocks on the Frankfurt stock exchange. The Frankfurt stock exchange accounts for 85% of German stock trading volume and 35% of European trading volume. The index methodology is available at http://www.dax-indices.com.

The performance of the Benchmark Index is equal to double the inverse daily performance of the Parent Index, together with total interest paid daily on 3x the Parent Index's closing value.
It is therefore constitutes a short position strategy against the Parent Index, with 2x leverage and daily rebalancing. Further rebalancing during a trading session is possible if the Benchmark Index loses more than 50% during a Trading Day.

The Parent Index is free-float market capitalisation-weighted and measures the performance of the 30 largest stocks on the Frankfurt stock exchange.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.russell.com. https://www.dax-indices.com/indices

The performance tracked is that of the index's closing price in euros.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The closing price of the Benchmark Index is available on the internet at http://www.dax-indices.com

The administrator of the Benchmark Index is STOXX Limited.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/2011 of 8 June 2016, the administrator of the Benchmark Index is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.
The Parent Index is revised daily.
The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Parent Index and Deutsche Börse AG's rules for revising its composition, and consequently that of the Benchmark Index are available on the Internet at https://www.dax-indices.com/indices.
The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in which the Sub-fund may invest include those that make up the Benchmark Index, and also other international equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in a major stock exchange index or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities (**"UCITS"**) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.
When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.
To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or the value of any other financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in section 1 above).
To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution
(ii) invested in high-quality government bonds
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
(iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Most notably, any increase in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily readjustment in the underlying 'double short' index formula implies that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index exposure for holding periods longer than one business day. For example, if the Parent Index increases 10% on a given business day and then decreases of 5% the following business day, the Sub-fund's net asset value will decline by 12% (before the deduction of relevant fees) over these two days, while the Parent Index will have risen 4.5% over the same period.
If the Parent Index falls 5% per day over two consecutive business days, it will have decreased a total of 9.75%, whereas the Sub-fund will have gained a total of 21% over this period (before the deduction of relevant fees).

Negative scenario 1

The Parent Index increases and the leverage effect is negative and greater than 1

Parent Index	Strategy Index

	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	-10%	90	x-1
Day 2	-8%	101.2	8%	97.2	x-1
Total return	1.20%		-2.80%		x-2,33

Negative scenario 2 The Parent Index decreases and the leverage effect is negative and less than 1

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-10%	90	10%	110	x-1
Day 2	6%	95.4	-6%	103.4	x-1
Total return	-4.60%		3.40%		x-0,74

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario The leverage effect is positive over the period

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	5%	105	-5%	95	x-1
Day 2	-5%	99.75	5%	99.75	x-1
Total return	-0.25%		-0.25%		x1

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments (“DFI”), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund’s underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund’s counterparty to the DFI, the Sub-fund’s net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund’s shares. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund’s net asset value.
A ‘Benchmark Index event’ includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index’s performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .
Investors in this Sub-fund will be inversely exposed (both positively and negatively) to the German equity market with 2x leverage.

The amount that it is reasonable to invest in this Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund’s risks.
Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

I-USD share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.
Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

The Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Only a whole number of shares may be subscribed for.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class	I-USD share class
	EUR	USD

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-0 bus. day	D-0 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, at 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"** and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received at 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.
The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or **"iNAV"** (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section), the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and ask price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher of EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives . They are therefore charged to the Sub-fund
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 91-93, boulevard Pasteur, 75015 Paris - France

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

This financial instrument is not sponsored, recommended, distributed or otherwise supported by Deutsche Börse AG (the "Licensor"). The Licensor grants no guarantee and issues no statement, whether explicit or implicit, regarding the results arising from use of the index and/or the index's registered trademark, or the value of the index at any given time or date, or regarding any other matter. The Index is calculated and published by the Licensor. However, within the limits of the law, the Licensor will not be liable to all and any third parties in the event of potential errors in the Index. Moreover, the Licensor is under no obligation to report potential errors in the Index to any third parties, including investors. Neither the publication of the Index by the Licensor, nor the license granted for the Index and its registered trademark for use with the financial instrument or other securities or financial products arising from the index amount to a recommendation by the Licensor for capital investment, nor do they carry, in any way, a guarantee or opinion from the Licensor concerning the appeal of an investment in this product. In its capacity as sole holder of all the rights relating to the Index and the Index's registered trademark, the Licensor has only granted to the financial instrument's issuer the right to use the Index and the Index's registered trademark, together with all and any reference to the Index and its registered trademark in relation to the financial instrument. Investors are encouraged to form their own opinions as to the advisability of the investment they plan to make and to consult their usual advisors before purchasing shares.

ADDITIONAL INFORMATION

The Sub-fund’s shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.
The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.
This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds. Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.
However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.

Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY
For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY
The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 13: LYXOR IBEX 35 DOBLE APALANCADO DIARIO UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0011042753

CLASSIFICATION

Eurozone country equities.

The Lyxor Ibex 35 Doble Apalancado Diario UCITS ETF sub-fund (the **"Sub-fund"**) continuously maintains at least 60% exposure to the equity markets of one or more eurozone countries, including the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to gain exposure with 2x daily leverage (positive or negative) to the Spanish equity market, by replicating the performance of the IBEX 35® DobleApalancadoNeto strategy index (see "Benchmark Index"), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.10%.

BENCHMARK INDEX

The Sub-fund's Benchmark Index is the IBEX 35® DobleApalancadoNeto strategy index including any dividends the Sub-fund may receive from holding stocks in the Benchmark Index.

The Benchmark Index is an equity strategy index that is calculated, maintained and published by Sociedad de Bolsas. The Benchmark Index provides exposure with daily 2x leverage to increases and decreases in the IBEX 35® index (hereinafter the "Parent Index"). This means that if the Parent Index rises on a day that the net asset value is calculated, the Sub-fund's net asset value will increase by twice the amount of the increase on that day, and conversely, if the Parent Index decreases on a day that the net asset value is calculated, the Sub-fund net asset value will decline by twice the amount of the decrease on that day.

The Parent Index is the main benchmark index of the Madrid stock exchange and is composed of the 35 most actively traded stocks in the Spanish market. The Parent Index is weighted by float-adjusted market capitalisation.

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

A full description and the complete methodology used to construct the Benchmark Index and the respective weightings of the Benchmark Index components are available on the Internet at http://www.bolsamadrid.es/ing/aspx/Indices/Resumen.aspx.
The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at http://www.bolsamadrid.es/ing/aspx/Indices/Resumen.aspx

The administrator of the Benchmark Index is Sociedad de Bolsas.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/2011 of 8 June 2016, the administrator of the Benchmark Index is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.
The Parent Index is revised every six months.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Benchmark Index and the rules for its rebalancing are available on the Internet at http://www.bolsamadrid.es/ing/aspx/Indices/Resumen.aspx

The frequency of the aforementioned rebalancing does not affect the cost of implementing the Investment Strategy

The advantage of the "Leverage" strategy

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gain on a given day will be twice as much as with a "single" investment in the Parent Index. However, in a bear market the multiplier effect of the leverage also doubles losses on a daily basis. The daily multiplier effect also affects the risks of the overall investment strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.
The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

The Securities in the Sub-fund's portfolio may include those that make up the Parent Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.
The Sub-fund's equity assets will be chosen so as to limit the cost of replicating the Benchmark Index

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.
The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
  - their inclusion in a major stock exchange index or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities (**"UCITS"**) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.
When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.
In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.
In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10 % of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
(i) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
(ii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
(iii) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(iv) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
(v) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:
- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution
(ii) invested in high-quality government bonds
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
(iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.
The Sub-fund has a high equity risk.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Daily leverage reset risk

Investors are exposed to twice the daily change in the price or level of the Parent Index. They should note in particular that a decline in the underlying market will be amplified and will result a larger decrease in the Sub-fund's net asset value. Since the leverage in the Benchmark Index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day.
For example, if the Parent Index gains 10% on a given trading day and then declines 5% the next trading day, the Sub-fund will have gained of 8% (before fees) over these two days, while the Parent Index will have gained a total of 4.5%.
If the Parent Index loses 5% a day over two consecutive trading days, the Sub-fund will have lost 19% (before fees) over this period while the Parent Index will have lost 9.75%.

Negative scenario 1 — The leverage effect is greater than 2 and the Parent Index decreases

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	20%	120	x2
Day 2	-11%	97.9	-22%	93.6	x2
Total return	-2.10%		-6.40%		x3.05

Negative scenario 2 — The leverage effect is less than 2 and the Parent Index increases

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-5%	95	-10%	90	x2
Day 2	6%	100.7	12%	100.8	x2
Total return	0.70%		0.80%		x1.14

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may even fall although the Parent Index increases over this period.

Inverse leverage scenario	The leverage effect is negative over the period				
	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	20%	120	40%	140	x2
Day 2	-16%	100.8	-32%	95.2	x2
Total return	0.80%		-4.80%		x-6

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund may enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. In order to achieve its investment objective, the Sub-fund may enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- -Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv) the index provider makes a material change in the formula for or the method of calculating the Benchmark Index (other than a minor modification such as an adjustment to the Benchmark Index's underlying assets or the respective weightings among its components) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund are seeking exposure with 2x leverage to the performance of the Spanish equities market, whether positive or negative.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

N/A

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Ibex 35 Doble Apalancado Diario UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-0 bus. day	D-0 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"**, and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative

Net Asset value or **"iNAV"** (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and ask price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative net asset value</u>

Euronext Paris SA will publish the Sub-fund's indicative net asset value (hereinafter the "iNAV") during trading hours every Trading Day (as defined below) (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A (**"Trading Day"**) is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) <u>If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following</u>

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.40% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Sociedad de Bolsa provides no warranty of any sort, either express or implied, regarding the results that may be obtained from using the Sociedad de Bolsa index. Sociedad de Bolsa disclaims any liability of any kind (for negligence or for any other reason) for any error that may affect the index, irrespective of the parties involved, and shall have no obligation to inform any party of such an error.
The LYXOR IBEX 35 DOBLE APALANCADO DIARIO UCITS ETF fund is in no way sponsored, promoted nor marketed by Sociedad de Bolsa.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris - FRANCE.
e-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxor.fr.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
  Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
  Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
  Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 14: LYXOR IBEX 35 DOBLE INVERSO DIARIO UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0011036268

The Lyxor Ibex 35 Doble Inverso Diario UCITS ETF sub-fund (the **“Sub-fund”**) is a UCITS ETF strategy index tracker.

INCEPTION DATE

This Sub-fund was approved by l’Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund’s investment objective is to give inverse exposure with daily 2x leverage (positive or negative) to the Spanish equity market, by replicating the performance of the IBEX 35 ® DOBLE INVERSO strategy index (the "**Benchmark Index**"), denominated in euros (EUR), whether positive or negative, while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index

The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the IBEX 35® DOBLE INVERSO TOTAL RETURN strategy index with gross dividends reinvested (which means that the Benchmark Index’s performance includes the gross dividends paid by its underlying equities.

The Benchmark Index is an equity strategy index that is calculated, maintained and published by Sociedad de Bolsas. The Benchmark Index provides inverse exposure with daily 2x leverage to increases and decreases in the IBEX 35® index (the “**Parent Index**”). Accordingly, if the Parent Index rises by a given amount on a given trading day, the Sub-fund’s net asset value will decrease by twice that amount that day, and shareholders will not profit from the increase in the Parent Index.

The Parent Index is the main benchmark index of the Madrid stock exchange and is composed of the 35 most actively traded stocks in the Spanish market.

The Parent Index is weighted by float-adjusted market capitalisation.
A full description of the Benchmark Index and its construction methodology, and information on the composition and respective weightings of the Benchmark Index components, are available on the Internet at http://www.bolsamadrid.es/ing/aspx/Indices/Resumen.aspx.

The performance tracked is that of the Benchmark Index’s closing price in euros

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.
The closing price of the Benchmark Index is available on the Internet at http://www.bolsamadrid.es/ing/aspx/Indices/Resumen.aspx

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/2011 of 8 June 2016, the administrator of the Benchmark Index is registered in ESMA’s register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.

The Parent Index is revised every six months.

The double inverse leverage factor used in calculating the Benchmark Index is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

The exact composition of the Benchmark Index and the rules for its revision are available on the Internet at http://www.bolsamadrid.es/ing/aspx/Indices/Resumen.aspx

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund’s assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund’s portfolio may include those that make up the Parent Index, as well as other international equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of ‘balance sheet’ assets in the Sub-fund’s portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor’s website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.
The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in a major stock exchange index or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities (**"UCITS"**) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.
When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.
In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.
In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price

(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;

(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;

(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;

(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments

(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with

(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating

(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below

(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity

(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution

(i) invested in high-quality government bonds

(ii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time

(iii) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.
Capital risk
The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Therefore, any appreciation of the underlying market will be inversely amplified and will result a sharper depreciation of the Sub-fund's net asset value. The daily leverage reset in the underlying "double short" strategy index formula means that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index for holding periods greater than one business day.
For example, if the Parent Index gains 10% on a given business day and then loses 5% the following business day, the Sub-fund will decline a total of 12% (before deduction of relevant fees) over the two business days, while the Parent Index will have gained 4.5% over this period.
If the Parent Index decreases 5% per day over two consecutive business days, the Sub-fund will gain a total of 21% (before deduction of relevant fees), while the Parent Index will have lost 9.75% over this period.

Negative scenario 1 — The Parent Index increases and the leverage effect is negative is greater than 2

	Parent Index		Benchmark Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	-20%	80	x-2
Day 2	-5%	104.5	10%	88	x-2
Total return	4.50%		-12.00%		x-2,67

Negative scenario 2 — The Parent Index decreases and the leverage effect is negative is less than 2

	Parent Index		Benchmark Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-10%	90	20%	120	x-2
Day 2	6%	95.4	-12%	105.6	x-2
Total return	-4.60%		5.60%		x-1,22

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario — The leverage effect is positive over the period

	Parent Index		Benchmark Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	5%	105	-10%	90	x-2
Day 2	-5%	99.75	10%	99	x-2
Total return	-0.25%		-1.00%		x4

- Risk that the Sub-fund does not fully achieve its investment objective:

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- - Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund’s underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund’s counterparty to the DFI, the Sub-fund’s net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund’s shares. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund’s net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the formula for or the method of calculating the Benchmark Index (other than a minor modification such as an adjustment to the Benchmark Index’s underlying assets or the respective weightings among its components) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index’s performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund are seeking inverse exposure (positive or negative), with x2 leverage, to the Spanish equity market.

The amount that it is reasonable to invest in this Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund’s risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Ibex 35 Doble Inverso Diario UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-0 bus. day	D-0 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"** and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and represent a minimum amount of at least 100,000 euros.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.
The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual

- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or **"iNAV"** (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and ask price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A (**"Trading Day"**) is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives. They are charged to the Sub-fund.
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are actually charged to the Sub-fund see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

Sociedad de Bolsa provides no warranty of any sort, either express or implied, regarding the results that may be obtained from using the Sociedad de Bolsa index. Sociedad de Bolsa disclaims any liability of any kind (for negligence or for any other reason) for any error that may affect the index, irrespective of the parties involved, and shall have no obligation to inform any party of such an error.
LYXOR IBEX 35 DOBLE INVERSO DIARIO UCITS ETF is in no way sponsored, promoted or sold by Sociedad de Bolsa.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection. This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.
Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.
However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in EUR

SUB-FUND NO. 15: LYXOR NASDAQ-100 DAILY (2X) LEVERAGED UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE:
Acc share class: FR0010342592

CLASSIFICATION
Global equities.

The Lyxor Nasdaq-100 Daily (2x) Leveraged UCITS ETF sub-fund (the **"Sub-fund"**) continuously maintains at least 60% exposure to one or more foreign equity markets, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE
This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE
The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to provide exposure to the performance of the US equity market, whether positive or negative, by replicating the movement of the NASDAQ-100 Leveraged Notional Net Return strategy index (the "**Benchmark Index**") denominated in US dollars (USD) , while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX
The Benchmark Index is the NASDAQ-100 Leveraged Notional Net Return strategy index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index was created by NASDAQ OMX Group, Inc. and is calculated and maintained by S&P.

The Benchmark Index is a strategy index that tracks the performance of the NASDAQ-100 (NDX) index (the "**Parent index**") with a daily 2x leverage effect, which means that if the Parent Index rises or falls by 2% on a given trading day, the Benchmark Index will respectively rise or fall by 4% on that same day, less the cost of borrowing securities. This double leverage effect is achieved by borrowing securities to double the investment in the stocks that make up the Parent Index. The cost of this borrowing is included in the calculation of the Benchmark Index.

The Benchmark Index is a subset of the Parent Index. The Parent Index is a U.S. technology index that provides a benchmark for the U.S. technology sector.
It is composed of 100 securities and includes the largest companies by market capitalisation in the following sectors: Internet software and services, IT services and consultancy, software, electronic hardware and instruments, office electronics and semi-conductors.

The NASDAQ-100 Leveraged Notional Net Return Benchmark Index was created on 18 November 2009.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at https://indices. nasdaqomx.com/
The performance tracked is that of the Benchmark Index's closing price in USD.

BENCHMARK INDEX PUBLICATION
The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.
The Benchmark Index's closing price is available on the Internet at https://indices. nasdaqomx.com/

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the benchmark index administrator is listed in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

BENCHMARK INDEX COMPOSITION AND REVISION
The composition of the Benchmark Index is revised in conjunction with the revision of the Parent Index.
The Parent Index is revised quarterly.
The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Parent Index and NASDAQ OMX Group Inc. rules for revising this index, and consequently the Benchmark Index, are available on the Internet at https://indices. nasdaqomx.com/
The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

THE ADVANTAGE OF THE "LEVERAGE" STRATEGY
The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gain on a given day will be twice as much as with a "single" investment in the Parent Index. However, in a bear market the multiplier effect of the leverage also doubles losses on a daily basis. The daily multiplier effect also affects the risks of the overall investment strategy.

INVESTMENT STRATEGY:

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Parent Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a Member State of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.
The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
  - their inclusion in a major stock exchange index or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com
Investment in undertakings for collective investment in transferrable securities (**"UCITS"**) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.
In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

To optimise the Sub-fund's management and achieve its investment objective, the manager reserves the right to use other instruments in accordance with the applicable regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the "**Counterparty**") will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:
- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution
(ii) invested in high-quality government bonds
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
(iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) agreement as indicated in EU Regulation NO. 2015/2365. They should note in particular that a decline in the underlying market will be amplified and will result a larger decrease in the Sub-fund's net asset value. Since the leverage in the Benchmark Index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day.

For example, if the Parent Index gains 10% on a given trading day and then declines 5% the next trading day, the Sub-fund will have gained of 8% (before fees) over these two days, while the Parent Index will have gained a total of 4.5%. If the Parent Index loses 5% a day over two consecutive trading days, the Sub-fund will have decreased a 19% (before fees) over this period while the Parent Index will have lost 9.75%.

Negative scenario 1	The leverage effect is greater than 2 and the Parent Index decreases				
	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	20%	120	x2
Day 2	-11%	97.9	-22%	93.6	x2
Total return	**-2.10%**		**-6.40%**		**x3.05**

Negative scenario 2	The leverage effect is less than 2 and the Parent Index increases				
	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-5%	95	-10%	90	x2
Day 2	6%	100.7	12%	100.8	x2
Total return	**0.70%**		**0.80%**		**x1.14**

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may even fall although the Parent Index increases over this period.

Inverse leverage scenario	The leverage effect is negative over the period				
	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	20%	120	40%	140	x2
Day 2	-16%	100.8	-32%	95.2	x2
Total return	**0.80%**		**-4.80%**		**x-6**

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- -Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Index currency risk

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency that is different from that of the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Exchange rate fluctuations can therefore have a negative impact on the benchmark index the Sub-fund tracks.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .
Investors in this Sub-fund are seeking exposure to the performance of the US equity market, whether positive or negative.

The amount that you may reasonably invest in this sub-fund depends on your personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Nasdaq-100 Daily (2x) Leveraged UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"**) and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

<u>Subscriptions and redemptions</u>
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

<u>Delivery and settlement.</u>
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

<u>Date and frequency of net asset value calculation</u>

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.
The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed Sub-fund's shares or units differs significantly from their indicative net asset value, or if trading in the Sub-fund's share or units is suspended, investors may be allowed, subject to the conditions set forth below, to redeem their shares on the primary market directly from the listed Sub-fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled " SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

<u>Negotiability of shares and information about the financial institutions acting as Market Makers:</u>

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's Indicative Net Asset value or "iNAV"(see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent, or other service provider.

Fees paid by investors upon subscription or redemption	BASE	Maximum charge
Subscription fee not kept by the Sub-fund	Net asset value x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-und, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are actually charged to the Sub-fund see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 91% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The LYXOR NASDAQ-100 DAILY LEVERAGE UCITS ETF fund (the "Sub-fund") is not sponsored, endorsed, sold or promoted by "The Nasdaq Stock Market", Inc. , which together with its affiliates are hereinafter referred to as the "Companies". The Companies have not verified the legality or relevance of the Product, nor the Accuracy and suitability of the descriptions and representations made in relation to the Product. The Companies do not expressly or implicitly provide any warranties or guarantees to Product unit-holders or to anyone whomsoever regarding the advisability of purchasing securities in general or more specifically of investing in the Product, or regarding the NASDAQ-100 Index®'s capacity to track the performance of equities markets. The only relationship between the Companies and LYXOR INTERNATIONAL ASSET MANAGEMENT (the "Licensee") is a license agreement to use Nasdaq®, Nasdaq-100® and Nasdaq-100 Index® trademarks and certain other trade names that belong to the Companies, and to use the Nasdaq-100 Index®, which Nasdaq has created, constructed and calculated independently of the Licensee and the Product. Nasdaq is not bound in any way to take the Licensee's needs or those of the Product holders into consideration in determining, constructing or calculating the Nasdaq-100 Index®. The Companies are not responsible for and were not involved in determining the Product issuance schedule, prices or quantities or in selecting the calculation formulas or making the calculations necessary to convert the Product into cash. The Companies are in no way responsible for the administration, sale or trading of the Product.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.
This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded. However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management

Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.

- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund’s base currency are the WM Reuters fixing rates on the day the Sub-fund’s net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 16: LYXOR PEA PME (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Dist share class: FR0011770775

CLASSIFICATION

Eurozone country equities.

The Lyxor PEA PME (DR) UCITS ETF sub-fund (the **"Sub-fund"**) continuously maintains at least 60% exposure to the equity markets of one or more eurozone countries, including the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 08/02/2018 and will be established on 23/03/2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's objective is to replicate the performance, whether positive or negative, of the CAC PME GR index (the "**Benchmark Index**"), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index, which is representative of SME and intermediate size companies listed on the Euronext Paris exchange that are eligible for PEA PME savings plans.

The expected ex-post tracking error under normal market conditions is 0.30%.

BENCHMARK INDEX

The Benchmark Index is the CAC PME GR index.
The Benchmark Index is a proxy for the performance of the highest-rated SME and intermediate size companies listed on the Euronext Paris exchange, which are selected on the basis of their liquidity and "SME" criteria.

The Benchmark Index is composed of 20 to 40 equities that are representative of the highest-rated small-cap, mid-cap and intermediate size companies listed on the Euronext Paris exchange.
It is weighted by modified market capitalisation, with no single component exceeding 7.5% of the index and no economic sector exceeding 25%.
The Benchmark Index is rebalanced quarterly over a five-day period. On each rebalancing date eligible securities will be selected if they meet all of the following criteria:

- a "liquidity factor" that is based on the average daily trading volume over a 3-month period and 1% of the float-adjusted market capitalisation
- "SME criteria", whereby:
- the issuer of the securities must have from 250 to 4,999 employees
- the issuer's annual sales must not exceed 1.5 billion euros and its total assets must not be less than two billion euros.

The Benchmark Index is with gross dividends reinvested, which means that the performance of its components includes the reinvestment of gross dividends and all other distributions.

Benchmark Index publication

The performance tracked is that of the Benchmark Index's closing price.
The complete methodology is available at www.euronext.com

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Euronext, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly, over a 5-day period.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.euronext.com

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representative of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a “sampling” technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index

The Lyxor website at www.lyxoretf.com features a page dedicated to the Sub-fund, which among other things explains the direct index replication method selected, i.e. either full replication of the Benchmark Index or sampling to limit replication costs. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will also continuously comply with INSEE’s eligibility criteria for inclusion in a PEA-PME savings plan, which require that the issuer’s workforce not exceed 5,000 employees, that its annual revenue not exceed 1.5 billion euros and that its total assets not be less than two billion euros.

In managing its exposure, no more than 20% of the Sub-fund’s assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

To optimise the Sub-fund’s management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a Member State of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

- Eligible markets:

☒ regulated
☒ organised
☒ over-the-counter

- Risks which the Sub-fund may seek to hedge or gain exposure to:

☒ equity
☐ interest rates
☐ currency
☐ credit

- Purpose (all transactions must be consistent with the investment objective)

☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

- Types of instruments used:

☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

- Strategy for using derivatives to achieve the investment objective:

☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage

☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10 % of its net assets.

7. Securities financing transactions

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French monetary and financial code, including the temporary sale and repurchase of securities.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- The Sub-fund shall be entitled to all income from such temporary disposal of securities, net of any direct and indirect operating fees/expenses.
- These operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by the Management Company, the Agent (if applicable) and/or any other intermediaries that are involved in these transactions.
- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these fees/expenses are paid will be provided in the Sub-fund's annual report.
- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses which may be borne by the Agent and the Management Company. Since these direct and indirect operating fees/expenses do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing charges.

The Multi Units France annual report will provide the following information when applicable:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income generated by efficient portfolio management techniques over the relevant period, and any associated direct and indirect operating fees/expenses or expenses.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund engages in securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts under securities financing agreements. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset
- The collateral's maturity (if applicable)
- The credit rating of the collateral issuer (if applicable)

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

i) deposited with an authorised institution
ii) invested in high-quality government bonds
iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies. Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Low Benchmark Index Diversification risk

Since the index to which investors are exposed represents a given region, sector and strategy it may provide less diversification of assets in comparison with a broader index that is exposed to two or more regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than exposure to more diversified markets. However, the Sub-fund's underlying securities shall be subject to the diversification rules of UCITS directives.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be extremely difficult or costly. The Sub-fund's asset manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index in proportions that differ from those of the Benchmark Index, or even investing in securities that are not Benchmark Index constituents or derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped, and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Companyentities of the same group as the Management Company.

- Collateral management risks

Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Derivatives risk

On an ancillary basis, the Sub-fund may invest in Derivative Financial Instruments ("**DFI**") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.
Investment in DFI may be risky. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.
The market value of DFI is highly volatile and they may therefore be subject to large variations.
The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Risk of investing in small and mid-cap companies

The Sub-fund is exposed to small and medium capitalisation companies and more specifically to the equity securities of small, medium and "intermediate" size enterprises, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply than those of large-cap stocks. The Sub-fund's net asset value could behave similarly and therefore fall more sharply than that of a similar investment in large-capitalisation equities.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund shares are available to all investors.
Investors in this Sub-fund are seeking exposure to equity securities issued by small-cap, mid-cap and intermediate size companies listed on the Euronext Paris exchange.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION

The Board of Directors reserves the right to distribute, in one or more distributions, and/or accumulate all or part of its distributable amounts.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Dist share class

	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"** and will be executed at the net asset value on that Primary Market Day hereinafter the **"reference NAV"**. Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros pour la Dist share class.

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in EUR.

DATE AND FREQUENCY OF NET ASSET VALUE CALCULATION

The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund is traded is open and that the orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, investors may have to pay more than the current net asset value when they buy units and receive less than the current net asset value when they sell them.
If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 "Trading Manual on the Universal Trading Platform".
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's Indicative Net Asset value or **"iNAV"** (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and ask price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative net asset value</u>

Euronext Paris SA will calculate and publish, on each **"Trading Day"** (as defined below) and during trading hours, the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

Solactive AG will use these data in its calculations to establish, each subsequent Trading Day, the Sub-fund's iNAV, which is updated in real time.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

c) <u>If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following</u>

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the NAV multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity fees charged to the Sub-fund.
- direct and indirect operating fees/expenses of securities financing transactions

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.5% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The amount of income from these transactions	20% for the Management Company 15% for the Agent.

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund’s net asset value will be calculated and published by Euronext Paris SA on each Paris Trading Day, during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Euronext N.V. or its subsidiaries (hereinafter "Euronext") (collectively referred to as the "Licensors "). The Licensors assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the CAC PME index (hereinafter the “Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by or in the name of Euronext. The Licensors disclaim all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and will not be obliged to inform anyone of such an error.

Euronext N.V. or its subsidiaries holds all property rights in relation to the Index. Euronext N.V. or its subsidiaries do not guarantee, approve or are concerned in any manner whatsoever with the issuance and/or offering of the product. Euronext N.V. or its subsidiaries, will not be held liable with regards to third parties for any inaccurate data on which the Index is based, fault, error or omission concerning the calculation or dissemination of the Index, or pertaining to its use within the framework of said issuance and/or offering.

ADDITIONAL INFORMATION

The Sub-fund’s shares have been admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
e-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.
Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.
However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign alternative investment funds are valued at the last known net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund’s base currency are the WM Reuters fixing rates on the day the Sub-fund’s net asset value is calculated

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts”.

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 17: LYXOR RUSSELL 1000 GROWTH UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0011119171
Dist share class: FR0011119155

CLASSIFICATION

International equities

The Sub-fund is a passively managed index-tracking fund.

The Lyxor Russell 1000 Growth UCITS ETF sub-fund (the **"Sub-fund"**) continuously maintains at least 60% exposure to one or more foreign equity markets, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the Russell 1000® Growth Net Total Return index (the "**Benchmark Inde**x"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

Description

The Benchmark Index is the Russell 1000® Growth Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index reflects the performance of the 'growth style' segment of the US large-cap stock market. It is composed of the Russell 1000 companies that have the highest price-to-book ratios and offer the most growth potential.

The Benchmark Index is designed to be a reliable indicator of large-cap 'growth' stocks.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.russell.com

The performance tracked is that of the Benchmark Index's closing price in US Dollars.

Methodology

FTSE International Limited provides a family of US stock indices weighted by market capitalisation. All of the US indices are sub-sets of the Russell 3000E™ Index, which represents approximately 99% of the US stock market.

The Benchmark Index is a sub-set of the Russell 1000® Index that represents the latter's 'growth' stocks. Each index component is selected on the basis of its price-to-book ratio, I/B/E/S medium-term growth forecast and historic revenue growth.

Each year, FTSE observes the following methodology to select the stocks that are to be included in the Russell 1000® Index:

- Classification by market capitalisation as at 31 May
- The largest 3,000 stocks comprise the Russell 3000® Index
- The largest 1,000 stocks comprise the Russell 1000® Index

The following are excluded:

- Stocks that trade at less than one dollar.
- Stocks that trade on the OTC Bulletin Board or on the Pink Quote market
- Closed funds, SCS, royalty trusts, etc.
- Non-US stocks and American Depositary Receipts (ADRs).

Dividends are reinvested at the ex-dividend date.

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at www.ftserussell.com

Pursuant to European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, FTSE International Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is revised annually.
The exact composition of the Benchmark Index and Russell's rules for index composition revision are available at www.ftserussell.com
The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In compliance with the ratios indicated in the applicable regulations, the Sub-fund may invest in global equities in all economic sectors and listed on all exchanges including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
  - their inclusion in a major stock exchange index or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a Member State of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.
Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.

The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other financial instruments or assets the Sub-fund may hold) for the value of the Benchmark Index.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100% of assets under management.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:
- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee of achieving the investment objective. There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to provide the level or the value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .
Investors in this Sub-fund are seeking exposure to the performance of large-cap US stocks with growth potential, which is achieved by replicating the performance of the Benchmark Index
The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.
Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. Realised net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Acc and Disk class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Russell 1000 Growth UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class	Dist share class
	US dollar	US dollar

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm1	Redemption orders are processed until 6.30 pm1	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"**) and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Subscription and redemption orders must be for a whole number of shares having a minimum amount of at least the USD equivalent of 100,000 EUR for the Acc and Dist share classes.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement.
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in USD.
The Sub-fund's net asset value is denominated in EUR.
The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual

- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's Indicative Net Asset value or "iNAV"(see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- Account activity fees charged to the Sub-fund.

For more information on the fees that are actually charged to the Sub-fund, see the Statistics section of the Key Investor Information Document.

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.19% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Net asset value	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's indicative net asset value will be calculated and published each Trading Day during trading hours.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The LYXOR RUSSELL 1000 GROWTH UCITS ETF Sub-fund is in no way sponsored, approved, sold or promoted by the Frank Russell Company ("**Russell**"), which makes no representations or warranties and provides no express or implied guarantee to LYXOR RUSSELL 1000 GROWTH UCITS ETF fund unit-holders or to the general public in respect of the advisability of trading in the shares or units of mutual funds in general or specifically in the shares of the LYXOR RUSSELL 1000 GROWTH UCITS ETF Sub-fund, or in respect of the ability of the Russell 1000® Growth Net Total Return index to replicate the performance of the market or a segment thereof . The publication of the Russell 1000® Growth Net Total Return Index in no way implies or suggests that it is advisable to invest in any or all of the securities that comprise the Russell 1000® Growth Net Total Return Index. The sole relationship between Lyxor International Asset Management is the agreement of the Frank Russell Company ("Russell") in respect of the use of Russell's registered trademarks and brands and of the Russell 1000® Growth Net Total Return index, which Russell composes and calculates independently of Lyxor International Asset Management and the Sub-fund. Russell will not be held liable, has not studied the Sub-fund nor any literature or other publication and makes no representation nor provides any express or implied warranty as to its accuracy or comprehensiveness. Russell reserves the right, at any time and without prior notification, to revise, modify, close or change in any way the Russell 1000® Growth Net Total Return index. Russell shall accept no liability or obligation in respect of the administration, management or marketing of the LYXOR RUSSELL 1000 GROWTH UCITS ETF Sub-fund

RUSSELL DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPREHENSIVE NATURE OF THE INDICES OR OF ANY DATA INCLUDED. NOR DOES RUSSELL OR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF A RUSSELL INDEX PROVIDE ANY EXPRESS OR IMPLIED WARRANTY IN RESPECT OF THE RESULTS THAT A HOLDER OF A RUSSELL LICENCE MAY OBTAIN. RUSSELL DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OF THE INDICES OR DATA INCLUDED. WITHOUT LIMITING THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL RUSSELL OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOST PROFITS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded. However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities with a residual term to maturity of less than three months on acquisition are valued at their purchase price. Any discount or premium to redemption value is amortised on a straight-line basis over the residual term of the instrument. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "CALCULATION AND ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION"

E. ACCOUNTING CURRENCY
The Sub-fund's accounts are kept in euro.

SUB-FUND NO. 18: LYXOR RUSSELL 1000 VALUE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0011119205
Dist share class: FR0011119213

CLASSIFICATION

International equities

The Lyxor Russell 1000 Value UCITS ETF sub-fund (the **"Sub-fund"**) continuously maintains at least 60% exposure to one or more foreign equity markets, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the Russell 1000® Value Net Total Return index denominated in US dollars (the "**Benchmark Index**"), which represents the performance of the "value" segment of the large-capitalisation US equity market, while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

Description

The Benchmark Index is the Russell 1000® Value Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index reflects the performance of the 'value' or 'value stocks' segment of the US large-cap stock market. It is composed of the Russell 1000 companies that have the lowest price-to-book ratios and the least growth potential.

The Benchmark Index is designed to be a reliable indicator of large-cap 'value' stocks. The Benchmark Index is updated annually to ensure that new value stocks are included and that it continues to represent the 'value' market in a consistent manner.
The performance tracked is that of the Benchmark Index's closing price.
The Benchmark Index is calculated by Russell Investments.

Methodology

FTSE International Limited provides a family of US stock indices weighted by market capitalisation. All of the US indices are sub-sets of the Russell 3000E™ Index, which represents approximately 99% of the US stock market.

The Benchmark Index is a sub-set of the Russell 1000® Index which represents the latter's 'value' stocks. Each index component is selected on the basis of its price-to-book ratio, I/B/E/S medium-term growth forecast and historic revenue growth.

Each year, Russell Investments observes the following methodology to select the stocks that are to be included in the Benchmark Index:

- Classification by market capitalisation as at 31 May
- The largest 3,000 stocks comprise the Russell 3000® Index
- The largest 1,000 stocks comprise the Russell 1000® Index

The following are excluded:

- Stocks that trade at less than one dollar.
- Stocks that trade on the OTC Bulletin Board or on the Pink Quote market
- Closed funds, SCS, royalty trusts, etc.
- Non-US stocks and American Depositary Receipts (ADRs).

Dividends are reinvested at the ex-dividend date.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.russell.com.

Benchmark index publication

The closing price of the Benchmark Index is available on the Internet at www.ftserussell.com

Pursuant to European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, FTSE International Limited, the administrator of the Benchmark Index, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is revised annually.
The exact composition of the Benchmark Index and Russell's rules for index composition revision are available at www.russell.com
The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.
On 14 October 2011, the Benchmark Index was composed of 657 securities.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

2. Balance sheet assets (excluding embedded derivatives)

In compliance with the ratios indicated in the applicable regulations, the Sub-fund may invest in global equities in all economic sectors and listed on all exchanges including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
  - their inclusion in a major stock exchange index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.
Investment in undertakings for collective investment in transferrable securities (**"UCITS"**) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other financial instruments or assets the Sub-fund may hold) for the value of the Benchmark Index.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100% of assets under management.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned derivative instrument transactions involving, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to provide the level or the value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is This Sub-fund is available to all investors.
Investors in this Sub-fund are seeking exposure to the performance of large-cap US stocks with growth potential which is achieved by replicating the performance of the Benchmark Index.
The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-und's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.
Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions. Net realised capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Acc and Dist class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Russell 1000 Value UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class	Dist share class
	USD	USD

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"**) and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and represent at least the USD equivalent of 100,000 euros for the Acc and Dist share classes.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement.

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation.

The net asset value will be calculated and published each day that the Sub-fund's net asset value is to be published, provided that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in USD. The Sub-fund's net asset value is denominated in EUR. The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the shares or units of the Sub-fund are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund shares will be listed on a specific trading list, the rules of which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual".
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual.
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS".

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris' rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's Indicative Net Asset value or "iNAV"(see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- Account activity fees charged to the Sub-fund.

For more information on the fees that are actually charged to the Sub-fund, see the Statistics section of the Key Investor Information Document.

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.19% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Net asset value	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds”. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION
At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER
The LYXOR RUSSELL 1000 VALUE UCITS ETF Sub-fund is in no way sponsored, approved, sold or promoted by the Frank Russell Company (“Russell”), which makes no representations or warranties and provides no express or implied guarantee to LYXOR RUSSELL 1000 VALUE UCITS ETF Sub-fund unit-holders or to the general public in respect of the advisability of trading in the shares or units of mutual funds in general or specifically in the shares of the LYXOR RUSSELL 1000 VALUE UCITS ETF Sub-fund, or in respect of the ability of the Russell 1000® Value Net Total Return index to replicate the performance of the market or a segment thereof. The publication of the Russell 1000® Value Net Total Return Index in no way implies or suggests that it is advisable to invest in any or all of the securities that comprise the Russell 1000® Value Net Total Return Index. The sole relationship between Lyxor International Asset Management is the agreement of the Frank Russell Company (“Russell”) in respect of the use of Russell’s registered trademarks and brands and of the Russell 1000® Value Net Total Return index, which Russell composes and calculates independently of Lyxor International Asset Management and the Sub-fund. Russell will not be held liable, has not studied the Sub-fund nor any literature or other publication and makes no representation nor provides any express or implied warranty as to its accuracy or comprehensiveness. Russell reserves the right, at any time and without prior notification, to revise, modify, close or change in any way the Russell 1000® Value Net Total Return index. Russell will accept no liability or obligation in respect of the administration, management or marketing of the LYXOR RUSSELL 1000 VALUE UCITS ETF Sub-fund.

RUSSELL DOES NOT GUARANTEE THE ACCURACY AND/OR THE COMPREHENSIVE NATURE OF THE INDICES OR OF ANY DATA INCLUDED. NOR DOES RUSSELL OR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF A RUSSELL INDEX PROVIDE ANY EXPRESS OR IMPLIED WARRANTY IN RESPECT OF THE RESULTS THAT A HOLDER OF A RUSSELL LICENCE MAY OBTAIN. RUSSELL DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OF THE INDICES OR DATA INCLUDED. WITHOUT LIMITING THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL RUSSELL OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOST PROFITS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund’s shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the “Publication Date” section

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure

ASSET VALUATION AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 19: LYXOR CAC 40 DAILY (2X) LEVERAGED UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010592014

CLASSIFICATION

Eurozone country equities.

The Lyxor CAC 40 Daily (2x) Leveraged UCITS ETF sub-fund (the **"Sub-fund"**) continuously maintains at least 60% exposure to one or more eurozone equity markets, which may include the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the CAC 40® LEVERAGE GROSS RETURN strategy index (the "**Benchmark Index**"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The Benchmark Index reflects the performance of the CAC 40® Gross Return index (the "Parent Index"), with a daily x2 leverage effect. This means that if the underlying index rises/falls by 2% on a given day the leveraged index will rise/fall respectively by 4%, minus borrowing costs, on that day.

The expected ex-post tracking error under normal market conditions is 0.12%.

BENCHMARK INDEX

The Benchmark Index is the CAC 40® LEVERAGE GROSS RETURN strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in EUR.

The Benchmark Index is a strategy index designed and calculated by the international index provider Euronext. It is calculated by Euronext.

The Benchmark Index is a strategy index which reflects the performance of the Parent Index, with a daily x2 leverage effect. This means that if the underlying index rises/falls by 2% on a given day, the leveraged index will rise/fall respectively by 4%, minus borrowing costs, on that day. The 2x leverage is obtained by doubling the investment by borrowing securities in the index's basket of equities. The cost of borrowing is taken into account when calculating the strategy index.

The Parent Index, which is weighted by float-adjusted market capitalisation, measures the performance of 40 of the largest stocks listed on the Euronext Paris exchange. The index constituents are selected for their large market capitalisation, sector representativeness and high trading volume.

A complete description of the Benchmark Index and its construction methodology, and information on the composition and respective weightings of the Benchmark Index components, are available on the Internet at https://www.euronext.com/en.

The performance tracked is that of the Benchmark Index's closing price in euros.

Publication de The Benchmark Index

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.
The closing price of the Benchmark Index is available on the Internet at: https://www.euronext.com/en.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Euronext, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index's composition is revised in conjunction with the revision of the Parent Index.
The Parent Index is revised quarterly.
The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.
The exact composition of the Parent Index and Euronext's rules for revising this index and consequently the Benchmark Index, are available on the Internet at https://www.euronext.com/en

The advantage of the "Leverage" strategy

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gain on a given day will be twice as much as with a "single" investment in the Parent Index. However, in a bear market the multiplier effect of the leverage also doubles losses on a daily basis. The daily multiplier effect also affects the risks of the overall investment strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index and other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.
Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a Member State of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date, using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
  - their inclusion in a major stock exchange index or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities (**"UCITS"**) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other asset or financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

All counterparties to a futures or forward contract that are selected by the Sub-fund must be leading financial institutions that are authorised to enter into such contracts for their own account.

The counterparty to the derivative financial instruments (the **"Counterparty"**) shall have no discretion over the composition of the Sub-fund's portfolio nor over the assets that underlie the derivative financial instruments.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer beyond 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:
- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution
(ii) invested in high-quality government bonds
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
(iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are exposed to twice the daily change in the price or level of the Parent Index. They should note in particular that a decline in the underlying market will be amplified and will result a larger decrease in the Sub-fund's net asset value. Since the 'leverage' index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day.

For example, if the Parent Index gains 10% on a given trading day and then declines 5% the following trading day 2, the Sub-fund will have gained 8% (before fees) over these two days, while the Parent Index will have risen 4.5% over this period.
If the Parent Index loses 5% a day over two consecutive trading days, the Sub-fund will have lost a total of 19% (before fees), while the Parent Index will have lost 9.75% over this period.

Negative scenario 1	The leverage effect is greater than 2 and the Parent Index decreases

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	20%	120	x2
Day 2	-11%	97.9	-22%	93.6	x2
Total return	-2.10%		-6.40%		x3.05

Negative scenario 2	The leverage effect is less than 2 and the Parent Index increases				
	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-5%	95	-10%	90	x2
Day 2	6%	100.7	12%	100.8	x2
Total return	0.70%		0.80%		x1.14

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may even fall although the Parent Index increases over this period.

Inverse leverage scenario	The leverage effect is negative over the period				
	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	20%	120	40%	140	x2
Day 2	-16%	100.8	-32%	95.2	x2
Total return	0.80%		-4.80%		x-6

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the Sub-fund's net asset value may be affected.

- Regulatory risk

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-und's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
(v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;
(vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this Sub-fund are seeking exposure to the equities of large eurozone companies.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor CAC 40 Daily (2x) Leveraged UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"**), and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem units in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement.
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.
The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. SUBSCRIPTION AND REDEMPTION ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling them.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be allowed, subject to the conditions set forth below, to redeem their shares on the primary market directly from the Sub-fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris (as indicated in the "Key Information" section) investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
-Instruction No. 4-01 " Universal Trading Platform Manual"
-Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual)
-Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or **"iNAV"** (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section), the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
-The Benchmark Index is no longer traded or calculated
-Euronext Paris SA cannot obtain the Benchmark Index's level
-Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

a maximum overall spread of 2% between the bid and offer price in the centralised order book.
a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

-The Benchmark Index is no longer traded or calculated
-If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A (**"Trading Day"**) is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- the day's estimated net asset value
- the official net asset value of the previous business day
- the level of the Benchmark index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of this regulated market. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.40% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

"CAC 40®" and "CAC®" are trademarks of Euronext Paris S.A. , a subsidiary of Euronext N.V.

Euronext Paris S.A. holds all property rights in relation to the Index. Euronext Paris S.A., or any directly or indirectly held subsidiary, do not guarantee, approve or are concerned in any manner whatsoever by the issue and offer of the product. Euronext Paris S.A., or any directly or indirectly held subsidiary, will not be held liable with regards to third parties for any inaccurate data on which the Index is based, fault, error or omission concerning the calculation or dissemination of the Index, or pertaining to its use within the framework of this issue or of this offer.

LYXOR DAILY LEVERAGE CAC 40 UCITS ETF is not, in any way whatsoever, sponsored, supported, promoted or marketed by Euronext or its subsidiaries (hereinafter "**Euronext**") (collectively referred to as the "**Licensors**").

The Licensors assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the CAC 40® LEVERAGE GROSS RETURN index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by or in the name of Euronext. The Licensors disclaim all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and will not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders must be sent to the Depositary by the investor's financial intermediary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc).The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund’s base currency are the WM Reuters fixing rates on the day the Sub-fund’s net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 20: LYXOR CAC 40 DAILY (-2X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010411884

CLASSIFICATION

The Lyxor CAC 40 Daily (-2x) Inverse UCITS ETF sub-fund (the **"Sub-fund"**) is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to achieve inverse exposure, with daily 2x leverage, to the French equity market by replicating the movement of the CAC 40 Double Short GR strategy index denominated in euros (EUR) (the "Benchmark index"), whether positive or negative, while minimising the tracking error between the Sub-fund's performance and that of the CAC 40 Double Short GR index.

The expected ex-post tracking error under normal market conditions is 0.15%.

BENCHMARK INDEX

The Benchmark Index is the CAC40 Double Short GR strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares).

The CAC 40 Double Short GR index is a strategy index created and maintained by Euronext.

Therefore, if the Parent Index falls on a given trading day, the Sub-fund's net asset value will rise by double that amount on that day, and if the Parent Index rises on a given trading day, the Sub-fund's net asset value will fall by double that amount on that day and shareholders will not be able to profit from the rise in the Parent Index.

The short positions taken on the Benchmark Index entail borrowing costs which are included in the Benchmark Index calculation methodology.

Thus, the Benchmark Index performance calculated on one trading day is equal to 2x the inverse performance of the Parent Index on that day, plus the cumulative interest paid daily on three times the Benchmark Index's closing value, less the cost of short selling 2x the securities that underlie the Parent Index.

The Parent Index is free-float market capitalisation weighted and measures the performance of the 40 largest stocks on the Euronext Paris exchange.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://indices. nyx.com/sites/indices. nyx.com

The performance tracked is that of the closing prices of the equities that make up the Benchmark Index.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The closing price of the Benchmark Index is available on the Internet at https://www.euronext.com/en

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Euronext, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index's composition is revised in conjunction with the revision of the Parent Index.
The Parent Index is revised quarterly.
The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.
The exact composition of the Parent Index and Euronext's rules for revising this index and consequently the Benchmark Index, are available on the Internet at https://www.euronext.com/en

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that make up the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Benchmark Index and other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a Member State of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit will be checked on each Benchmark Index rebalancing date, using the Benchmark Index calculation method which limits exposure to a given issuer's equities to 20%, this calculation being performed by the Benchmark Index sponsor or calculation agent. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
  - their inclusion in a major stock exchange index or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Investment in undertakings for collective investment in transferrable securities (**"UCITS"**) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets (or the value of any other asset or financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective, such as derivatives other than index-linked swaps.

The counterparty to the derivative financial instruments (the **"Counterparty"**) shall have no discretion over the composition of the Sub-fund's portfolio nor over the assets that underlie the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer beyond 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution
(ii) invested in high-quality government bonds
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
(iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating

- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The Sub-fund’s on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund’s shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund’s indicative net asset value and/or
iv) a market maker fails to comply with an exchange’s rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Most notably, any increase in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily readjustment in the underlying ’double short’ index formula implies that the Sub-fund’s performance will not be equivalent to two times the inverse performance of the Parent Index exposure for holding periods greater than one business day. For example, if the Parent Index gains 10% on a given business day and then loses 5% the following business day, the Sub-fund’s net asset value will decline by 12% (before the deduction of relevant fees) over these two days, while the Parent Index will have gained 4.5% over the same period.
If the Parent Index loses 5% a day over two consecutive business days, it will have lost a total of 9.75%, while the Sub-fund will have gained a total of 21%, before the deduction of relevant fees.

Negative scenario 1	The leverage effect is negative and greater than 2 and the Parent Index increases				
	Parent Index		Strategy index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	-20%	80	x-2
Day 2	-5%	104.5	10%	88	x-2
Total return	4.50%		-12.00%		x-2.67

Negative scenario 2	The leverage effect is negative and less than 2 and the Parent Index decreases				
	Parent Index		Strategy index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-10%	90	20%	120	x-2
Day 2	6%	95.4	-12%	105.6	x-2
Total return	-4.60%		5.60%		x-1.22

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario	The leverage effect is positive over the period				
	Parent Index		Strategy index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	5%	105	-10%	90	x-2
Day 2	-5%	99.75	10%	99	x-2
Total return	-0.25%		-1.00%		x4

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund’s underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund’s counterparty to the DFI, the Sub-fund’s net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of its shares may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of its shares may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund’s net asset value.
A ‘Benchmark Index event’ includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this fund are seeking inverse exposure with 2x leverage to the performance of the French equities market, whether positive or negative.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF AMOUNTS AVAILABLE FOR DISTRIBUTION

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor CAC 40 Daily (-2x) Inverse UCITS ETF is merged.
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1) SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"**), and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 euros.

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement.
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of NAV calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that the market on which the Sub-fund's shares are traded is open and that orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2) PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or **"iNAV"** (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level

Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day and during trading hours, the Sub-fund's indicative net asset value (hereinafter **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of this regulated market. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type shares classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) <u>If the units are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:</u>

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	Net asset value x number of shares subscribed	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):
- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 91-93, boulevard Pasteur, 75015 Paris - France

The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Sub-fund is in no way sponsored, approved, sold or recommended by Euronext or its subsidiaries (hereinafter “Euronext”) (collectively referred to as the “**Licensors**”).

The Licensors provide no warranty nor make no commitment, either express or implied, as to the results that may be obtained from using the CAC 40 DOUBLE SHORT GR INDEX (hereinafter the “Index”) and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by or in the name of Euronext. The Licensors disclaim all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and will not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund’s shares are admitted to trading by Euroclear France S.A.

Subscription and redemption orders must be sent to the Depositary by the investor’s financial intermediary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code. The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds. Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled “Calculation and Allocation of Distributable amounts”.

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euro.

SUB-FUND NO. 21: LYXOR CAC 40 DAILY (-1X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODE

Acc share class: FR0010591362

CLASSIFICATION

The Lyxor CAC 40 Daily (-1x) Inverse UCITS ETF sub-fund (the **"Sub-fund"**) is a UCITS ETF index-tracker.

INCEPTION DATE
This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to gain exposure to the performance of the French equities market, whether positive or negative, by replicating the behaviour of the CAC 40® Short benchmark index with gross dividends reinvested (the "**Benchmark Index**"), while minimising the tracking error between the Sub-fund's performance and that of the CAC 40® Short index.

The expected ex-post tracking error under normal market conditions is 0.08%.

BENCHMARK INDEX

The Benchmark Index is the CAC 40® Short Leverage strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in EUR.

The Benchmark Index provides daily inverse exposure to increases and decreases in the CAC 40® index with US dollars (the "Parent Index"). Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease that day and investors will not benefit from the increase in the Parent Index.

The Parent Index is the main benchmark for the Paris stock market. It measures changes in the prices of 40 stocks selected for their large market capitalisation, their representativeness of a given sector and the large volume of trading in their shares.

The performance of the Benchmark Index is equal to the inverted daily performance of the Parent Index, plus the interest (EONIA) received daily on 2x the closing value of the Benchmark Index (minus the cost of short positions on the Parent Index basket for one day.
The index therefore is representative of a short position strategy against the Parent Index, gross US dollars, with daily rebalancing.

The Benchmark Index is an equity index that is calculated, maintained and published by Euronext.

The performance tracked is that of the Benchmark Index's closing price.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.russell.com. https://www.euronext.com/en

Benchmark Index publication
The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The closing price of the Benchmark Index is available on the Internet at https://www.euronext.com/en

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Euronext, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision
The composition of the Benchmark Index is not revised since its composition is adjusted when the Parent Index is revised.
The Parent Index is revised quarterly
The exact composition and Euronext's rules for rebalancing the Benchmark Index are available on the internet at https://www.euronext.com/en

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which involves entering into one or more OTC swap contracts to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that make up the Benchmark Index.

The Securities in the Sub-fund's portfolio may include those that make up the Parent Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will aim to neutralise the counterparty risk arising from the aforementioned swap contract.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies having their registered office in a Member State of the European Union or in another country that is a member of the European Economic Area and which have signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in a major stock exchange index or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. In respect of these investments, the Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management, the fund manager reserves the right to use other instruments in accordance with the applicable regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of its equity assets for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the **"Counterparty"**) will have no discretion over the composition of the Sub-fund's portfolio nor over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager will not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price

(b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;

(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;

(d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;

(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer beyond 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments

(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with

(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating

(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below

(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity

(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution

(ii) invested in high-quality government bonds

(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.

(iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:

- qualitative criteria, based on Standard and Poors' LT credit rating

- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The Sub-fund’s on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund’s shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund’s indicative net asset value and/or
iv) a market maker fails to comply with an exchange’s rules and/or
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to the daily fluctuations affecting the price or level of the Parent Index. The daily reset in the exposure in the underlying “short” strategy index formula implies that the Sub-fund’s performance will not be equivalent to the inverse performance of the Parent Index for holding periods greater than one trading day. This means that investors are underexposed to volatility.

For example, if the Parent Index appreciates by 10% on business day one, and then depreciates by 5% on business day two, the ETF will be subject to a total decrease of 5.5% (before deduction of relevant fees) over the two business days, while the Parent Index will be subject to an increase of 4.5% over the same period.
If the Parent Index depreciates by 5% per day over two consecutive business days, the ETF will see a total increase of 10.25% (before deduction of relevant fees), while the Parent Index will see a decrease of 9.75% over the same period.

Negative scenario 1 — The Parent Index increases and the leverage effect is negative and greater than 1

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	-10%	90	x-1

Day 2	-8%	101.2	8%	97.2	x-1
Total return	**1.20%**		**-2.80%**		**x-2,33**

Negative scenario 2 — The Parent Index decreases and the leverage effect is negative and less than 1

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-10%	90	10%	110	x-1
Day 2	6%	95.4	-6%	103.4	x-1
Total return	**-4.60%**		**3.40%**		**x-0,74**

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario — The leverage effect is positive over the period

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	5%	105	-5%	95	x-1
Day 2	-5%	99.75	5%	99.75	x-1
Total return	**-0.25%**		**-0.25%**		**x1**

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Sub-fund can enter into over-the-counter derivative financial instruments (“DFI”), such as swaps. This DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund’s underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund’s counterparty to the DFI, the Sub-fund’s net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the fund manager may be required, in accordance with the applicable laws and regulations, to suspend the subscription and redemption of the Sub-fund’s shares. The calculation of the Sub-fund’s net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
(v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;
(vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors .

Investors in this fund are looking for inverse exposure to rising and falling eurozone equity prices.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a **"Primary Market Day"**, and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement:

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The net asset value will be calculated each Trading Day.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

B. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, subject to the conditions set forth below, investors may be allowed to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section *SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)"*.

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

C. SPECIAL PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or **"iNAV"** (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative net asset value</u>

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of this regulated market. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) **<u>If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following</u>**

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms[(1)(2)]
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms[(1)(3)]

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity fees charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Asset management fees and administration fees that are external to the Management Company[(1)]	Net asset value	0.40% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 91-93, boulevard Pasteur, 75015 Paris - France

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Lyxor CAC 40 Daily (-1x) Inverse UCITS ETF sub-fund is not sponsored, endorsed, sold or promoted in any way whatsoever by Euronext Paris SA or its subsidiaries (hereinafter "**Euronext**" and collectively referred to as the "**Licensors**").

The Licensors provide no guarantee and make no commitment either express or implied, regarding the results that may be obtained by using the CAC 40 ® Short Index and/or regarding the level the Index may reach at any given time or on any given day, or regarding anything else. The Index is calculated by or in the name of Euronext. The Licensors will not be liable, to anyone whomsoever, for any error that affects the Index and shall have no obligation to inform anyone whomsoever of any error that may affect the Index.

ADDITIONAL INFORMATION

The Sub-fund's shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France S.A.) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.
This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURES

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION RULES AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.
Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.
However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euro.

SUB-FUND NO. 22: LYXOR CAC MID 60 (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODES

Dist share class: FR0011041334

CLASSIFICATION

Equities of European Union countries.

The Lyxor CAC Mid 60 (DR) UCITS ETF sub-fund (the **"Sub-fund"**) continuously maintains at least 60% exposure to one or more of the equity markets of one or more European Union countries, which may include the eurozone countries.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 15/02/2018 and was created on 19 April 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the CAC Mid 60 Gross Total Return index with gross dividends reinvested (the "**Benchmark Index**"), denominated in euros, while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is a Gross Total Return index, which means that the Benchmark Index's performance includes the reinvestment of the gross dividends paid by its underlying shares.

The Benchmark Index, which is weighted by free-floating market capitalisation, replicates the share price movements of 60 mid-cap companies listed on Euronext Paris regulated exchanges.

Eligible securities are rated by free-floating capitalisation and trading volume. The securities chosen for the Benchmark Index are the top-rated stocks that are not components of the CAC Large 60 index.

The Benchmark Index is an equities index that is calculated and published by the index provider Euronext.

The Benchmark Index measures the performance of the 60 top-rated stocks that are not part of the CAC Large 60 index. A 'buffer zone' is currently observed whereby current index components that are rated from 56th to 65th position have selection priority over eligible securities that are not currently components of the CAC Mid 60 or CAC Large 60 indices at the time of index revision.

The weight of each index constituent is adjusted to account for free float, which is rounded upward in 5% increments.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.russell.com. https://www.euronext.com/en
The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at https://www.euronext.com/en

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Euronext, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The composition and number of equities in the Benchmark Index is revised quarterly, at the close of the 3rd Friday in March, June, September and December.
The exact composition of the Benchmark Index and Euronext's rules for its revision are available on the Internet at https://www.euronext.com/en.

The frequency of this rebalancing does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

The Lyxor website at www.lyxoretf.com features a page dedicated to the Sub-fund, which among other things explains the direct index replication method selected, i.e. either full replication of the Benchmark Index or sampling to limit replication costs. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, no more than 20% of the Sub-fund's assets may be exposed to the equities of a given issuer. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a Member State of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

- Eligible markets:

☒ regulated
☒ organised
☒ over-the-counter

- Risks which the Sub-fund may seek to hedge or gain exposure to:

☒ equity
☐ interest rates
☐ currency
☐ credit

- Purpose (all transactions must be consistent with the investment objective)

☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

- Types of instruments used:

☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

- Strategy for using derivatives to achieve the investment objective:

☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

- Possible types of transactions

☐ Repos and reverse repos pursuant to the French monetary and financial code
☐ Securities borrowing and lending pursuant to the French monetary and financial code
☐ other types (specify)

- Purpose (all transactions must be consistent with the investment objective)

☐ cash management
☐ optimisation of the Sub-fund's income
☐ other types (specify)

- Maximum proportion of assets under management for which securities financing transactions may be entered into: 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent :
- The Sub-fund shall be entitled to all income from these transactions, net of any direct and indirect operating fees/expenses.
- These operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by the Management Company, the Agent (if applicable) and/or any other intermediaries that are involved in these transactions.
- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.
- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses which may be borne by the Agent and the Management Company. Since these direct and indirect operating fees/expenses do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing charges.

The Multi Units France annual report will provide the following information when applicable:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating fees/expenses associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied;
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) Collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value ;
- (e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer beyond 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

In accordance with the above conditions the collateral the Sub-fund accepts may consist of:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments
- (ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

<u>Collateral discount policy</u>

The Sub-fund's Management Company shall apply a discount to the collateral the Sub-fund accepts. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset
- the collateral's maturity (if applicable)
- the credit rating of the collateral issuer (if applicable).

<u>Reinvestment of collateral</u>

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution
- (ii) invested in high-quality government bonds
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

<u>COUNTERPARTY SELECTION POLICY</u>

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Shareholders in the Sub-fund will be mainly exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed-income markets, where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The Sub-fund's on-exchange price may deviate from its indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped and/or
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) a stock exchange cannot obtain or calculate the Sub-fund's indicative net asset value and/or
iv) a market maker fails to comply with an exchange's rules and/or
v) an exchange's IT, electronic or other system fails.

- Risk of using efficient portfolio management techniques

The default of a counterparty to an efficient portfolio management technique (hereafter “EPMT”) used by the Sub-fund could expose it to the risk that the value of the collateral it has received may be less than the value of the assets it has transferred to the counterparty to the EPMT transaction. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with entities of the same group as that of the Management Company.

- Collateral management risks

Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.

Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective is only partially achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Derivatives risk

On an ancillary basis, the Sub-fund may invest in Derivative Financial Instruments (“**DFI**”) traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves “leverage”. A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager will not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund’s underlying assets could affect the tax treatment of the Sub-fund. As a result, in case of a discrepancy between the estimated and effective tax treatments applied to the Sub-fund and/or to the Sub-fund’s counterparty to the DFI, the Sub-fund’s net asset value may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-und's shares. The calculation of the Sub-fund’s net asset value could also be adversely affected.

If the Benchmark Index disruption persists, the manager of the Sub-fund will determine the appropriate measures to be carried out, which could have an impact on the Sub-fund’s net asset value.

A ‘Benchmark Index event’ includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments

ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index,

iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost

v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;

(vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Risk of corporate action involving a Benchmark Index constituent

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument or transaction based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

This Sub-fund is available to all investors seeking exposure to the performance of the 60 top-rated stocks that are not constituents of the CAC Large 60 index.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. It is also recommended that investors diversify their investments so that they are not exclusively exposed to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute any distributable amounts one or more times a year and/or accumulate all or part of such amounts.

DISTRIBUTION FREQUENCY

If distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Only a whole number of shares may be subscribed for.
Redemptions will be made in whole numbers of shares.

SHARE CURRENCY

Currency	Dist share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary until 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**") and will be executed at the net asset value of that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received by 5:00 pm (Paris time) on the following Primary Market Day. Orders to purchase or redeem shares in the Sub-fund must be made for a whole number of units and for a minimum amount of 100,000 euros for the Dist share class.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

Registrar and transfer agent by delegation from the Management Company:
SOCIÉTÉ GÉNÉRALE - 32, rue du Champ de Tir - 44000 Nantes – France

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund shares are traded is open and that orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.
The Sub-fund's net asset value is denominated in EUR
The net asset value of a share class that is denominated in another currency than the Accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Purchases and sales of Sub-fund shares made directly on an exchange on which the Sub-fund is or will be listed and continuously traded will be subject to no minimum purchase/sale requirements other than those of the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be allowed, subject to the conditions set forth below, to redeem their shares on the primary market directly from the Sub-fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent.

- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components

- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. <u>SPECIAL PROVISIONS</u>

a) <u>If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules</u>

<u>Negotiability of shares and information about the financial institutions acting as Market Makers:</u>

The shares shall be freely negotiable on the Euronext Paris regulated market subject to the following conditions and the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or **"iNAV"** (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section), the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value.

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- If trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative net asset value</u>

Euronext Paris SA will publish the Sub-fund's indicative net asset value (hereinafter the "iNAV") during trading hours every Trading Day (as defined below) (hereinafter the **"iNAV"**). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A **"Trading Day"** is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund’s iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund’s iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters.
If one or more stock exchanges on which the Benchmark Index’s constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund’s shares may be suspended.

Lyxor International Asset Management, the Sub-fund’s Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund’s iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG’s calculations to determine the Sub-fund’s iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of this regulated market. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type shares is also available in the “Term Sheets” section of Lyxor’s website at www.lyxoretf.com.

b) If the Sub-fund’s shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the “Key Information” section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATING AND MANAGEMENT FEES

These fees cover all the costs that are invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity fee that may be charged by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity fees charged to the Sub-fund.
- the direct and indirect operational fees/expenses of securities financing transactions

For more information on the fees or expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment and administrative fees that are external to the Management Company (1)	Net asset value	0.50% p.a.
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity fee	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The amount of income from these transactions	20% for the Management Company 15% for the Agent.

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 60% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Euronext N.V. holds all property rights in relation to the Index. Euronext N.V., or any directly or indirectly held subsidiary, do not guarantee, approve or are concerned in any manner whatsoever by the issue and offer of the product. Euronext N.V., or any directly or indirectly held subsidiary, will not be held liable with regards to third parties for any inaccurate data on which the Index is based, fault, error or omission concerning the calculation or dissemination of the Index, or pertaining to its use within the framework of this issue or of this offer.

ADDITIONAL INFORMATION

The Sub-fund’s shares are admitted to trading by Euroclear France S.A.
Subscription and redemption orders must be sent to the Depositary by the investor’s financial intermediary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.

E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france. org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets indicated in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation NO. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated..

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 23: LYXOR EURO OVERNIGHT RETURN UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010510800

CLASSIFICATION

The Lyxor Euro Overnight Return UCITS ETF sub-fund (the "**Sub-fund**") is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, which may be positive or negative, of the Solactive Euro Overnight Return Index with gross dividends reinvested (the "**Benchmark Index**"), denominated in euros (EUR), while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.20%.

BENCHMARK INDEX

The Benchmark Index is the Solactive Euro Overnight Return Index (with gross dividends reinvested). It is a "Total Return" index, which means that interest is compounded.
The Benchmark Index is calculated and maintained by Solactive AG.

..
The Benchmark Index is the Euro Short-Term Rate (ESTER) plus 0.085%. The ESTER benchmark interest rate represents the average rate that eurozone banks charge on overnight loans. It is calculated and published by the European Central Bank (ECB).

ESTER uses transaction data from the daily reports prepared by the 52 largest eurozone banks. It represents the average interest rate charged on overnight loans.

ESTER is calculated daily on the basis of the previous business day's transactions. For example, the initial index rate on 2 October 2019 is based on the trading data of 1 October 2019.

The Benchmark Index is calculated using the following formula:

where *I(t)* represents the index on date t
I(t-1) is the index on the previous business day
r(t-1) is the ESTER fixing published iat *t*-1 + 0.085%.
DCF (t+1, t+2) is the number of effective days between *t*+1 and *t*+2.

A full description the Benchmark Index and of its construction methodology and information on the composition and respective weightings of the Benchmark Index components is available on the Internet at https://www.solactive.com. Additional information is also available on the Internet at www.euribor.ebf.eu.

The performance tracked is the Benchmark Index fixing determined by Solactive AG.

Benchmark Index publication

Solactive AG is responsible for collecting and disseminating the value of the Benchmark Index. .
The Benchmark Index's characteristics are available at https://www.solactive.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Solactive AG , the administrator of the Solactive Euro Overnight Return Index, the benchmark index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

Since the Benchmark Index is based exclusively on the ESTER rate + 0.085%, it will not be periodically revised.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in which the Sub-fund may invest may include those that make up the Benchmark Index, and also other European equities, across all economic sectors and listed on all exchanges, and other eurozone securities.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by (i) a non-OECD country and/or (ii) a non-sovereign issuer.

This 20% limit can be increased to 35% for a single bond, when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the case of strong volatility in a debt issue, or an event of a political and/or economic nature that has affected or may affect the estimated debt of an issuing country and/or the credit rating of an issuing country or any other event likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, the securities guaranteed or issued by the same issuer may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets. The securities concerned must be financial instruments issued or guaranteed by a Member State of the OECD, local authorities of a Member State of the European Union or a party to the agreement on the EEA.

The fund manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may hold eurozone securities within the limits of the regulatory ratios.

These securities will be bonds selected on the basis of the following criteria:

- eligibility criteria, in particular:
    - senior debt
    - fixed maturity
    - maximum residual maturity
    - minimum issuance size
    - minimum S&P or equivalent credit rating

- diversification criteria, and in particular with respect to:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Balance sheet assets with a residual maturity of at least two years must account for at least 60% of the value of the Sub-fund's assets.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

Guaranteed securities issued by the same issuer can represent up to 35% of the assets, and 100% of the assets if the fund holds at least six issues for which none of them exceeds 30% of the assets. The securities are instruments issued or guaranteed by a Member State of the OECD, territorial governments of a Member State of the EC or part of the agreement on the EEA.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

A counterparty to derivative financial instruments (the "**Counterparty**") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Interest rate risk

The Sub-fund is exposed to central bank decisions that may cause money-market interest rates to decline. If this causes interest rates to fall below management fees and other structural costs, the Sub-fund's net asset value could decline.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. The Sub-fund is mainly exposed to counterparty risk resulting from the use of DFI traded over the counter with Société Générale or some other counterparty.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv) The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v): a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted;
vi): the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Risk related to the modification of the Benchmark Index to comply with the reform and regulation of "benchmark indices", such as LIBOR, EURIBOR and including other types of benchmark indices on interest rates, equities, commodities and exchange rates

Interbank rates (including LIBOR, EURIBOR, exchange rates and other types of rates and indices that are considered "benchmarks") are subject to ongoing national and international regulatory reforms. As a result of these reforms, the benchmarks may perform differently than in the past or disappear altogether, or there may be other unforeseeable consequences. These changes may have a significant or limited effect on the achievement of the Sub-fund's investment objective. Some of the main regulatory proposals and initiatives in this area are the IOSCO Principles for Financial Benchmarks (the "IOSCO Benchmark Index Principles") and the European Union Regulation "on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds" (the "EU Benchmarks Regulation".
With specific regard to interbank rates, the competent authorities have identified 'risk-free rates' that will eventually serve as the primary benchmark, including (i) with regard to sterling LIBOR, a reformed version of the Sterling Overnight Index Average ('SONIA') that will make SONIA the primary benchmark for the sterling interest rate by the end of 2021, (ii) with regard to EONIA and Euribor, a new short-term euro rate (ESTER), which will be the new risk-free rate for the euro (to replace EONIA), and (iii) with regard to USD LIBOR, the Secured Overnight Financing Rate (SOFR), which will be the main benchmark for the US dollar interest rate. The risk-free rates have a different methodology and other important differences from the interbank rates they will replace and have little or no history. Ongoing international and/or domestic reform initiatives and increased regulatory oversight of benchmarks could generally increase the costs and risks associated with administering or participating in the establishment of a benchmark and complying with any applicable regulations or requirements. These factors may deter market participants from continuing to administer or contribute to benchmarks, trigger changes in the rules or methodologies used in relation to benchmarks and/or lead to the disappearance of benchmarks, including EURIBOR and LIBOR. This may result in a change of the benchmark or other consequences for the Sub-Fund, such as delisting or liquidation. Such a consequence could have an effect on the Sub-Fund's net asset value and/or the calculation of the Sub-Fund's incentive fees, which cannot be evaluated at this time.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.
Investors in this Sub-fund are looking for exposure to the eurozone money market.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least one year. This minimum period may have to be adjusted in accordance with bid/ask spreads, brokerage fees and any stamp duty or other stock exchange tax that the investor may have to pay.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 business day	D-1 Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.
The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, on each Trading Day (as defined below) and during trading hours, the Sub-fund's indicative net asset value (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.
A "Trading Day" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund’s iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund’s iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges listing stocks included in the index are closed (during public holidays as defined by the TARGET calendar), and if it is not possible to calculate the indicative net asset value, trading of the Sub-fund’s shares may be suspended.

Lyxor International Asset Management, the Sub-fund’s Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund’s iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG’s calculations to determine the Sub-fund’s iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange’s website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the “Term Sheets” section of Lyxor’s website at www.lyxoretf.com.

b) If the Sub-fund’s shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.15% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor Euro Overnight Return UCITS ETF is a French Sub-fund that has been approved by l'Autorité des Marchés Financiers. This Sub-fund's prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Solactive AG, which assumes no obligation and provides no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index and/or the Benchmark Index brand or of the level the Benchmark Index may reach at any given time or date, or of any other type. The Benchmark Index is calculated and published by Solactive AG, which does its best to ensure that the Benchmark Index is calculated correctly. Regardless of its obligations to the issuer, Solactive AG is in no way whatsoever obliged to inform any third party, including the Sub-fund's investors and financial intermediaries, of any errors that may affect the Benchmark Index. Solactive AG's publication of the Benchmark Index and the licence to use the Benchmark Index or its brand in respect of the Sub-fund may in no way be construed to be a recommendation by Solactive AG to invest in the Sub-fund's shares or a warranty or an opinion provided by Solactive AG in respect of an investment in the Sub-fund's shares. Solactive AG shall not be liable for the consequences of any views or opinions that may be based on this statement nor for any omission.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the assumptions set out in the above paragraph, the securities issued by the same issuing state may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets. The securities must be financial instruments issued or guaranteed by a Member State of the OECD, local authorities of a Member State of the European Union or a party to the agreement on the EEA.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

D. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 24: LYXOR MSCI WATER ESG FILTERED (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010527275
Acc share class: FR0014002CH1

CLASSIFICATION

Global equities.

The Lyxor MSCI Water ESG Filtered (DR) UCITS ETF sub-fund (the "**Sub-fund"**) is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI ACWI IMI Water ESG Filtered Net Total Return index (the "**Benchmark Index"**), denominated in euros (EUR), while minimising the tracking error between its performance and that of its Benchmark Index.

The Benchmark Index aims to represent the performance of companies with water-related business activities, such as water distribution, sewage services and the supplying of water-treatment and other water-related equipment. It excludes companies whose environmental, social and governance (ESG) performance, as determined by an ESG rating, lags that of their peers within the investment theme.

The Sub-fund promotes environmental and/or social characteristics, pursuant to Article 8 of the SFDR Regulation.

The expected maximum ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the MSCI ACQI IMI Water ESG Filtered Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index is an equity index that is calculated and published by the international index provider MSCI. It has the following characteristics:

a) An investment universe identical to that of the MSCI ACWI Investable Market Index (IMI) (the "**Parent Index**"), including large, mid and small cap stocks from developed and emerging countries.

b) The Benchmark Index selects companies from the Parent Index that are highly exposed to such activities as water distribution, water-related utilities, water treatment and/or the supplying of water-related equipment, and in particular:
   - All companies in the "Water Utility" GICS sub-sector
   - Companies whose water-related activities have a "relevance score" (as defined by MSCI) of over 25% (or 75%, depending on the company's sector of activity), and
   - Companies whose revenue from sustainable water activities is over 15% of their total revenue.

   (the "**Selected Universe**")

c) The following is then applied to the companies of the Selected Universe:
   - An ESG filter, which excludes:
     - Companies involved in controversial business activities, such as controversial weapons, conventional weapons, nuclear weapons, civilian firearms, tobacco, thermal coal or oil sands, or which do not comply with the UN Global Compact.
     - Companies involved in serious ESG controversies, as determined by MSCI's ESG Controversies Score.
     - Companies that are "misaligned" or "strongly misaligned" with the following UN Sustainable Development Goals (SDGs) in accordance with the MSCI Impact Solutions' SDG Alignment framework: SDG 6 (Clean Water and Sanitation), SDG 13 (Action on Climate Change) or SDG 14 (Aquatic Life).
     - Companies without an MSCI ESG rating or controversy score.
   - Geographical and sectoral filters.

d) A "**Filtered Universe**" is then determined by:
   - observing a best-in-class approach that focuses on the companies with the highest ESG ratings within their industry and excludes those in the bottom quartile, as determined by MSCI's industry-specific ESG rating.
     The MSCI ESG rating methodology uses a rules-based approach designed to measure a company's resilience to the long-term material ESG risks of its sector. It is based on the key ESG issues of a company's main business activity and the specific challenges of its sector, which may mean significant risks or opportunities for the company.. The key ESG issues are weighted on the basis of the impact and time horizon of the risk or opportunity. ESG criteria include, for example, water stress, carbon emissions, human resources management and corporate ethics.
     The Sub-Fund thus observes an ESG approach that is underpinned by a strong commitment to eliminate at least 20% of the issuers from the initial investment universe. The limits of the ESG approach are indicated in the Risk Profile section below.
     The ESG data covers more than 90% of the eligible equities of the Benchmark Index. Companies without ESG ratings are excluded from the index selection process.
   - applying a liquidity filter, and
   - excluding companies that have no revenue associated with the sustainable water theme.

e) The index weights the companies in the Filtered Universe using the MSCI Adaptive Capped Index methodology and then adjusts these weightings on the basis of the maximum exposure criteria.

f) Iterative downweighting ensures that the weighted average of the board independence scores and the carbon intensity of the index are respectively higher and lower than those of the MSCI ACWI IMI Water Index.

The environmental and/or social characteristics promoted by the Fund are implemented by the MSCI ESG rating methodology described above.

The Benchmark Index is a net total return index. A net total return index measures the performance of its components after including any dividends and other distributions and deducting any withholding tax.

The Benchmark Index construction methodology and the rules that govern its re-weighting and updating can be found on MSCI's website at www.msci.com

Benchmark Index composition and review
The Benchmark Index is reviewed semi-annually in May and November, when the Parent Index is reviewed. Modifications are made the end of May and November.

The Eligible Universe and the Selected Universe are updated during the semi-annual Benchmark Index reviews.
The precise composition of the Benchmark Index and its review rules are available on MSCI's website at www.msci.com.
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The frequency of the aforementioned rebalancing does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index is calculated daily using the official closing price of the exchange where the underlying stocks are listed.
The Benchmark Index is also calculated in real time every stock exchange trading day.
The Benchmark Index’s closing price is available at https://www.msci.com/.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the administrator of the Benchmark Index is registered in ESMA’s register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund’s tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a “sampling” technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

The Sub-fund also reserves the right in invest in debt instruments or over-the-counter derivatives including swaps, futures and CFD, mainly for the purpose of gaining exposure to securities traded in emerging markets that are constituents of the Benchmark index and which could be particularly expensive and/or complex to invest in.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund’s portfolio, information on the updated composition of the basket of ‘balance sheet’ assets in the Sub-fund’s portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor’s website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity.

This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title. To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

• Eligible markets:
☒ regulated
☒ organised
☒ over-the-counter

• Risks which the Sub-fund may seek to hedge or gain exposure to:
☒ equity
☐ interest rates
☐ currency
☐ credit

• Purpose (all transactions must be consistent with the investment objective)
☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

• Types of instruments used:
☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices (in the proportions indicated below)
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

• Strategy for using derivatives to achieve the investment objective:
☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

- Maximum proportion of assets under management for which total return swaps may be entered into: 10%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 0%.

Counterparties to the aforementioned derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

- Risks that the fund manager seeks to mitigate:

☐ Equity
☐ Interest rate
☐ Currency
☐ Credit
☐ Other type (specify)

- Purpose (all transactions must be consistent with the investment objective)

☐ Hedging
☐ Exposure
☐ Arbitrage
☐ Other type (specify)

- Types of instruments used: EMTN.

- Strategies involving the use of embedded derivatives to achieve the investment objective: derivatives will be used on an ancillary basis (up to a maximum of 10% of net assets).

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund engages in securities financing transactions or uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- Qualitative criteria, based on Standard and Poors' LT credit rating
- Quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The shareholder's money will mainly be invested in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Low Benchmark Index diversification risk

The Benchmark Index to which investors are exposed covers a specific region, sector or investment strategy and therefore does not enable assets to be as broadly diversified as those of an index that is exposed to several regions, sectors or investment strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be extremely difficult or costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Company.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund. The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency different from the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Changes in exchange rates may therefore adversely affect the Sub-fund’s Benchmark Index.

- Sustainability risks

In managing sustainability risks, the Management Company relies on the Benchmark Index administrator’s methdology, with which sustainability risks are integrated by using an ESG rating to filter the investment universe. This integration of these risks has a direct impact on the Benchmark Index’s investment universe. However, there is no absolute assurance that all sustainability risks will be eliminated, and the occurence of such risks may have an adverse impact on the value of the Benchmark Index’s underlying assets. More information on the Benchmark Index methodology can be found on the webite at https://www.msci.com. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

- ESG methodology risk

Benchmark indices that include ESG criteria generally use a best-in-class approach or a rating-improvement approach relative to the initial investment universe. Given this initial investment universe, it is possible that issuers with low ESG ratings may be included in the index, while still meeting the criteria of the index methodology approaches.

- Controversy market risk

Companies which have met a benchmark index's selection criteria may suddenly and unexpectedly be affected by a serious controversy that could adversely affect the Sub-fund's net asset value. When these securities are components of the benchmark index, they are likely to be held until the next index rebalancing.

- ESG score calculation risk

Most ESG scores and ratings are defined in relative terms, by comparing an issuer to a peer group. Therefore, issuers perceived by the market as having poor ESG practices could potentially be rated well if the other issuers in its peer group have even poorer ESG practices. ESG scores and ratings are calculated by an external provider which uses its own data, models and estimates and various sources of information that may vary with each issuer. The analysis is largely based on qualitative and quantitative data that are provided by the companies themselves and is therefore dependent on the quality of this information. Although constantly improving, corporate ESG reporting is still patchy and heterogeneous. The reliability, quality and accuracy of ESG data can sometimes limit the scope of ESG-based investment.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.
Investors subscribing to this sub-fund are seeking exposure to the equity markets of companies carrying out, for their main source of revenue, activities concerning the water sector (infrastructure, products and equipment for treating water, distribution and management of hydraulic water networks).

The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

The Dist and Acc class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor WORLD WATER UCITS ETF.

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Dist share class	Acc share class
	EUR	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 business day	D-1 business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days	D+5 bus. days
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund’s net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a “Primary Market Day”) and will be executed at the net asset value on the following Primary Market Day, hereinafter the “reference NAV”. Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 euros, for the Acc share class.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the “Cash and in-kind transactions” sub-section of the “PRIMARY MARKET TRANSACTIONS” Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days following the date the NAV is established.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.
The Sub-fund's net asset value is denominated in EUR.
The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.
If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their units on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

In such an event, the subscription and redemption of units will be subject to the fees presented in the section entitled "Subscription and Redemption Fees (charged only on primary market transactions)", which serve to cover the Sub-fund's transaction costs..

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and pursuant to the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 3% between the bid and offer price in the centralised order book.

- a minimum nominal bid/ask value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.
- the direct and indirect operational fees/expenses of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
The direct and indirect operational fees/expenses of securities financing transactions.	The income from these transactions	20% for the Management Company 15% for the Agent

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 90% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

THIS SUB-FUND IS NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY MSCI INC. ("MSCI"), ANY OF ITS AFFILIATES, ANY OF ITS INFORMATION PROVIDERS OR ANY OTHER THIRD PARTY INVOLVED IN, OR RELATED TO, COMPILING, COMPUTING OR CREATING ANY MSCI INDEX (COLLECTIVELY, THE "MSCI PARTIES"). THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES ARE SERVICE MARK(S) OF MSCI OR ITS AFFILIATES AND HAVE BEEN LICENSED FOR USE FOR CERTAIN PURPOSES BY LYXOR INTERNATIONAL ASSET MANAGEMENT. NONE OF THE MSCI PARTIES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE ISSUER OR OWNERS OF THIS FUND OR ANY OTHER PERSON OR ENTITY REGARDING THE ADVISABILITY OF INVESTING IN FUNDS GENERALLY OR IN THIS FUND PARTICULARLY OR THE ABILITY OF ANY MSCI INDEX TO TRACK CORRESPONDING STOCK MARKET PERFORMANCE. MSCI OR ITS AFFILIATES ARE THE LICENSORS OF CERTAIN TRADEMARKS, SERVICE MARKS AND TRADE NAMES AND OF THE MSCI INDEXES WHICH ARE DETERMINED, COMPOSED AND CALCULATED BY MSCI WITHOUT REGARD TO THIS FUND OR THE ISSUER OR OWNERS OF THIS FUND OR ANY OTHER PERSON OR ENTITY. NONE OF THE MSCI PARTIES HAS ANY OBLIGATION TO TAKE THE NEEDS OF THE ISSUER OR OWNERS OF THIS FUND OR ANY OTHER PERSON OR ENTITY INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE MSCI INDEXES. NONE OF THE MSCI PARTIES IS RESPONSIBLE FOR OR HAS PARTICIPATED IN THE DETERMINATION OF THE TIMING, PRICES AT, OR QUANTITIES OF THIS FUND TO BE ISSUED OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY OR THE CONSIDERATION INTO WHICH THIS FUND IS REDEEMABLE. FURTHER, NONE OF THE MSCI PARTIES HAS ANY OBLIGATION OR

LIABILITY TO THE ISSUER OR OWNERS OF THIS FUND OR ANY OTHER PERSON OR ENTITY IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR OFFERING OF THIS FUND.
ALTHOUGH MSCI SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE MSCI INDEXES FROM SOURCES THAT MSCI CONSIDERS RELIABLE, NONE OF THE MSCI PARTIES WARRANTS OR GUARANTEES THE ORIGINALITY, ACCURACY AND/OR THE COMPLETENESS OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. NONE OF THE MSCI PARTIES MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE ISSUER OF THE FUND, OWNERS OF THE FUND, OR ANY OTHER PERSON OR ENTITY, FROM THE USE OF ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN.
NONE OF THE MSCI PARTIES SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS OR INTERRUPTIONS OF OR IN CONNECTION WITH ANY MSCI INDEX OR ANY DATA INCLUDED THEREIN. FURTHER, NONE OF THE MSCI PARTIES MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF ANY KIND, AND THE MSCI PARTIES HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO EACH MSCI INDEX AND ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL ANY OF THE MSCI PARTIES HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The Counterparty will not exercise any voting rights attached to securities to which the fund is indirectly exposed through derivative financial instruments.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

The Sub-fund promotes environmental and/or social characteristics, pursuant to Article 6 of the Taxonomy Regulation.

The European Union's Taxonomy Regulation aims to identify economic activities that are considered environmentally sustainable ("**Sustainable Activities**").

The Taxonomy Regulation identifies these activities according to their contribution to six main environmental objectives: (i) climate change mitigation, (ii) climate change adaptation, (iii) sustainable use and protection of water and marine resources, (iv) transition to the circular economy (waste, prevention and recycling), (v) pollution prevention and control, and (vi) protection of healthy ecosystems.

To be considered sustainable, an economic activity must demonstrate that it makes a substantial contribution to one or more of the six objectives, that it does not cause significant harm to any of these objectives (the so-called "DNSH" principle, "Do No Significant Harm") and that it is carried out in compliance with the minimum safeguards set out in Article 18 of the Taxonomy Regulation. The DNSH principle only applies to investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The Sub-fund may invest partially in economic activities that contribute to the following environmental objectives: climate change mitigation and climate change adaptation.

While the Sub-Fund may already hold investments in Sustainable Activities without being committed to a minimum share of investment, the Management Company shall use its best endeavours to ensure that this minimum share of the investments underlying the financial product made in Sustainable Activities is available as soon as reasonably practicable after the entry into force of the Regulatory Technical Standards with regards to the content and presentation of disclosures pursuant to Article 8(4), 9(6) and 11(5) of Regulation (EU) 2019/2088 as amended by the Taxonomy Regulation.

As data becomes available and calculation methodologies are developed, the description of the extent to which the underlying investments are made in Sustainable Activities will be made available to investors. This information, together with information on the proportion of enabling and transitional activities, will be included in a future version of the prospectus.

This commitment will be achieved in a progressive and ongoing manner, by engaging in discussions with the Benchmark administrator to incorporate the requirements of the Taxonomy Regulation into the Benchmark methodology as soon as reasonably possible. This will result in a minimum degree of alignment of the portfolio with Sustainable Activities of which investors will be informed at that time.

In the meantime, the degree of the portfolio's alignment with Sustainable Activities will not be available to investors.

If you have any questions, please contact the Management Company at the address below:

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

D. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 25: LYXOR EURO STOXX 50 DAILY (-2X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010424143

CLASSIFICATION

The Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF sub-fund (the "**Sub-fund"**) is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to give inverse exposure with daily 2x leverage (positive or negative) to the European equities market, by replicating the performance of the EURO STOXX 50® Daily Double Short index with gross dividends reinvested (the "**Benchmark Index**"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the EURO STOXX 50® Daily Double Short strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in euros (EUR).
The Benchmark Index is a strategy index designed by the global index provider Stoxx Ltd.

The Benchmark Index provides inverse daily exposure to the performance of the Euro Stoxx 50® Total Return index (the "**Parent index**") with 2x leverage. Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase by twice that amount that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease by twice that amount that day and investors will not benefit from the increase in the Parent Index.

The Parent Index is composed of the 50 largest stocks of the eurozone member countries. These stocks are selected on the basis of their market capitalisation, liquidity and sector representativeness. The Parent Index seeks to ensure that country and economic sector weightings reflect the eurozone's economic structure as closely as possible.

The Benchmark Index's daily performance is equivalent to the inverse of twice the daily performance of the Parent Index, plus the interest that is received daily on three times the Benchmark Index's closing price, less the costs incurred from the short sale of the securities that make up the Parent Index.

The Benchmark Index is therefore used to short the Parent Index with 2x daily leverage.

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at http://www.stoxx.com/download/indices/rulebooks/stoxx_strategy_guide.pdf

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at www.stoxx.com

Pursuant to the provisions of the European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Stoxx Ltd, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index's composition will vary when the Parent Index is revised. The Parent Index is revised annually, in September.

The exact composition of the Benchmark Index and STOXX Ltd.'s rules for its revision are available on the Internet at www.stoxx.com/indices

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. **Strategy employed**

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in major stock exchange indices or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector.

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("**UCITS**") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.
When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.
To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund’s liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares or units may deviate from the Sub-fund’s indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index’s underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Therefore, any gain in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund’s net asset value. The daily leverage reset in the underlying “double short” strategy index formula means that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index for holding periods greater than one business day.

For example, if the Parent Index gains 10% on a given business day and then loses 5% the following business day, the Sub-fund’s net asset value will decline by 12% (before the deduction of the applicable fees) over these two days, while the Parent Index will have gained 4.5% over the same period.

If the Parent Index loses 5% a day over two consecutive business days, it will have lost a total of 9.75%, while the Sub-fund will have gained a total of 21%, before the deduction of the applicable fees.

Negative scenario 1	The Parent Index rises and the leverage effect is negative and greater than 2				
	Parent index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	10%	110	-20%	80	x-2
Day 2	-5%	104.5	10%	88	x-2
Total return	4.50%		-12.00%		x-2.67

Negative scenario 2	The Parent Index falls and the leverage effect is negative and less than 2				
	Parent index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	-10%	90	20%	120	x-2
Day 2	6%	95.4	-12%	105.6	x-2
Total return	-4.60%		5.60%		x-1.22

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario	The leverage effect is positive over the period				
	Parent index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	5%	105	-10%	90	x-2
Day 2	-5%	99.75	10%	99	x-2
Total return	-0.25%		-1.00%		x4

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
An "event that affects the index" may, for example, be any of the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.
Investors in this Sub-fund are seeking inverse exposure to increases or decreases in the European equities market, with daily 2x leverage.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day (hereinafter the "**reference NAV**"). Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders for subscriptions / redemptions must be for a whole number of shares and represent at least EUR 100,000.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.
The net asset value will be calculated each Trading Day (as this term is defined below).

A “**Trading Day**” is defined as a day on which the exchange where the Sub-fund’s shares are listed is normally not closed and on which the exchanges where the securities that make up the Benchmark Index are normally not closed, and on which the Benchmark Index is published.

The Sub-fund’s net asset value is calculated using the Benchmark Index’s closing price. The Sub-fund’s net asset value is denominated in EUR.
The net asset value of a share class that is denominated in another currency than the Sub-fund’s accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.
If the stock market value of a listed fund’s shares or units differs significantly from their indicative net asset value, or if trading in the fund’s shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund’s shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund’s shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor’s website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund’s shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund’s shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund’s shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF”

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA’s rules trading in the Sub-fund’s shares is also subject to a ‘reservation threshold’ of 1.5% above or below the Sub-fund’s indicative net asset value or “iNAV” (see the “Indicative Net Asset Value” section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA’s reservation threshold (see the section entitled “Indicative net asset value”) the Market Makers will ensure that the market price of the Sub-fund’s shares does not differ from the Sub-fund’s indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund’s shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund’s shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index’s level
- Euronext Paris SA cannot obtain the Sub-fund’s net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund’s shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund’s Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated

- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

When the Sub-fund's shares are listed on Euronext Paris, Euronext will publish the indicative net asset value of the Sub-fund's shares (hereinafter the "iNAV") each Trading Day during trading hours. The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Euronext will use the available Benchmark Index value published by Reuters. The share prices of the stocks that make up the Benchmark Index and which are used to calculate the value of the Benchmark Index and therefore to determine the iNAV are provided to Reuters by the various stock exchanges on which the equities that make up the Benchmark Index are listed

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no other relationship with the licence-holder than the licence that was granted for the EURO STOXX 50® DAILY DOUBLE SHORT index and the associated registered trademarks which may be used in conjunction with the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the shares of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund, which they also refrain from marketing or promoting.
- make no investment recommendation whatsoever in respect of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund or in respect of any other securities whatsoever.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the shares of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund and make no decisions in relation to this.
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund.
- have no obligation to take into consideration the needs of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund or of its shareholders when determining, constructing or calculating the EURO STOXX 50® DAILY DOUBLE SHORT index.

STOXX and its licensors decline any liability in relation to the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund. More specifically,
STOXX and its Licensors do not provide or assure any warranty or guarantee whatsoever, either expressed or implied, concerning:

  - The results that may be obtained by the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund, by investors in the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund, or by any other person involved in the use of the EURO STOXX 50® DAILY DOUBLE SHORT index or of the EURO STOXX 50® DAILY DOUBLE SHORT index data;
  - The Accuracy or completeness of the EURO STOXX 50® DAILY DOUBLE SHORT index and the data it contains;
  - The negotiability of the EURO STOXX 50® DAILY DOUBLE SHORT index and its data and their suitability for a specific use or purpose;
- STOXX and its licensors shall not be held liable for any error, omission or interruption whatsoever in the EURO STOXX 50® DAILY DOUBLE SHORT index or in its data;
- Under no circumstance shall STOXX or its licensors be liable for any economic loss whatsoever, including consequential loss, including consequential loss, even if STOXX and its licensors are informed of such risk.

The license agreement between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX was agreed in their sole interests, and not in the interest of the share-holders of the Lyxor EURO STOXX 50 Daily (-2x) Inverse UCITS ETF Sub-fund or of any third party.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A. Subscription and redemption orders must be sent by the investors’ financial intermediary (which must be a member of Euroclear France SA) to the depositary for processing.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

D. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 26: LYXOR EURO STOXX 50 DAILY (2X) LEVERAGED UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010468983

CLASSIFICATION

Eurozone country equities

The Lyxor EURO STOXX 50 Daily (2x) Leveraged UCITS ETF sub-fund (the "**Sub-fund"**) will continuously maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to provide exposure with daily 2x leverage to the performance of European equities markets, whether positive or negative, by replicating the performance of the EURO STOXX 50® Daily Leverage Net Total Return index with gross dividends reinvested (the "**Benchmark Index**") while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the EURO STOXX 50® Daily Leverage Net Total Return strategy index with net dividends reinvested (which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares) denominated in euros (EUR).
The Benchmark Index is a strategy index designed by the global index provider Stoxx Ltd. It is calculated by Deutsche Börse AG.

The Benchmark Index is a strategy index that tracks the performance of the EURO STOXX 50® index (the "**Parent Index**") with daily 2x leverage. The Benchmark Index's daily performance is twice that of the Parent Index's daily performance, less the borrowing costs that are necessary to obtain the 2x leverage. Therefore, when the Parent Index gains 2% on a given trading day, the Benchmark Index will gain 4% on that day, less the borrowing costs. Conversely, if the Parent Index falls 2% on a given trading day, the Benchmark Index will decline 4% on that day, less the borrowing costs.

The Parent Index is composed of the 50 largest stocks of the eurozone member countries. These stocks are selected on the basis of their market capitalisation, liquidity and sector representativeness. The Parent Index seeks to ensure that country and economic sector weightings reflect the eurozone's economic structure as closely as possible.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.stoxx.com/indices
The performance tracked is that of the index's closing price in euros.

Benchmark Index publication

The closing price of the Benchmark Index is available on the Internet at www.stoxx.comwww.stoxx.com/indices

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Stoxx Ltd, the administrator of the Benchmark Index is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is not revised since it is a subset of the Parent Index, which is revised annually, usually in September. The Parent Index is revised annually, in September.

The exact composition of the Benchmark Index and STOXX Ltd.'s rules for its revision are available on the Internet a twww.stoxx.com/indices

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

The advantage of the "Leverage" strategy

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gains on a given trading day are twice as much as obtained with an "unleveraged" investment in the Parent Index. Conversely, if the Benchmark Index falls, the loss on a given trading day will be twice as much, due to the multiplier effect of the leverage. This leverage effect also applies to the risks of this investment strategy.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a Member State of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly invest in the equities that comprise the Benchmark Index.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in major stock exchange indices or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
    -
- diversification criteria, and in particular with respect to:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to derivatives transactions, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- -Daily leverage reset risk

Investors are exposed to twice the daily change in the price or level of the Parent Index. Therefore, any decrease in the underlying market will be amplified and will imply a larger decrease in the Sub-fund's net asset value. Since the 'leverage' index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day.

For example, if the Parent Index gains 10% on a given trading day and then declines 5% the following trading day 2, the Sub-fund will have gained 8% (before fees) over these two days, while the Parent Index will have risen 4.5% over this period.
If the Parent Index loses 5% a day over two consecutive trading days, the Sub-fund will have lost a total of 19% (before fees), while the Parent Index will have lost 9.75% over this period.

Negative example with Parent Index increasing

	Parent Index	Benchmark Index	Leverage effect
Day 1 return	+ 10%	+ 20%	6%
Day 2 return	- 5%	- 10%	6%
Total return	+4.5%	+8%	x1.78

Positive example with Parent Index falling

	Parent Index	Benchmark Index	Leverage effect
Day 1 return	- 5%	- 10%	6%
Day 2 return	- 5%	- 10%	6%
Total return	-9.75%	-19%	x1.95

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may even fall although the Parent Index rises over this period.

Example with inverse leverage

	Parent Index		Benchmark Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	20%	120	40%	140	6%
Day 2	-20%	96	-40%	84	6%
Day 3	30%	124.8	60%	134.4	6%
Day 4	-20%	99.84	-40%	80.64	6%
Day 5	10%	109.824	20%	96,.768	6%
Total return	+ 9.82%		- 3.23%		x -0.33

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
An "event that affects the index" may, for example, be any of the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider

iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.
Investors in this Sub-fund are seeking exposure to the equities of large eurozone companies.

The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day" and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares that represents at least 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions will be completed within five French business days after the subscription or redemption order is received.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund is traded is open and that the orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in EUR.
The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual

- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index. .

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

When shares are traded on Euronext Paris, Euronext will publish, each Trading Day and during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

To calculate the Sub-fund's iNAV, Solactive AG will use the Benchmark Index calculated throughout the Paris trading session (from 9:05 am to 5:35 pm) provided by Reuters.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data Euronext will need to calculate the Sub-fund's iNAV and in particular, as its reference net asset value, the Sub-fund's net asset value of the previous business day which corresponds to the Benchmark Index's reference level, which is its closing price the previous business day.

Solactive AG will use this reference net asset value and these index reference levels to calculate the Sub-fund's iNAV for the next trading day, which is updated in real time.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.40% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds”. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no other relationship with the licence-holder than the licence that was granted for the EURO STOXX 50® DAILY LEVERAGE index and the associated registered trademarks which may be used in conjunction with the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the shares of the LYXOR EURO STOXX 50 DAILY (2X) LEVERAGED UCITS ETF Sub-fund, which they also refrain from marketing or promoting.
- make no investment recommendation whatsoever in respect of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund or in respect of any other securities whatsoever.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the shares of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund and make no decisions in relation to this.
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund.

have no obligation to take into consideration the needs of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund or of its shareholders when determining, constructing or calculating the EURO STOXX 50® DAILY LEVERAGE index.

STOXX and its licensors decline any liability in relation to the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund. More specifically,

- STOXX and its Licensors do not provide or assure any warranty or guarantee whatsoever, either expressed or implied, concerning:
    - The results that may be obtained by the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund, by investors in the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund, or by any other person involved in the use of the EURO STOXX 50® DAILY LEVERAGE index or of the EURO STOXX 50® DAILY LEVERAGE index data;
    - The Accuracy or completeness of the EURO STOXX 50® DAILY LEVERAGE index and the data it contains;
    - The negotiability of the EURO STOXX 50® DAILY LEVERAGE index or of its data, and their appropriateness for a specific use or particular purpose.
- STOXX and its licensors disclaim any and all liability for any error, omission or interruption in the EURO STOXX 50® DAILY LEVERAGE index or its data.
- Under no circumstance shall STOXX or its licensors be liable for any economic loss whatsoever, including consequential loss, including consequential loss, even if STOXX and its licensors are informed of such risk.

The license agreement between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX was agreed in their sole interests, and not in the interest of the share-holders of the Lyxor EURO STOXX 50 Daily (2X) Leveraged UCITS ETF Sub-fund or of any third party.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:
- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 27: LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010424135

CLASSIFICATION

The Lyxor EURO STOXX 50 Daily (-1x) Inverse UCITS ETF sub-fund (the "**Sub-fund"**) is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to provide inverse exposure to the daily performance of the European equities market, whether positive or negative, by replicating the performance of the EURO STOXX 50® Daily Short index with gross dividends reinvested (the "**Benchmark Index**") while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the EURO STOXX 50® Daily Double Short strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in euros (EUR).

The Benchmark Index is a strategy index designed by the global index provider Stoxx Ltd.

The Benchmark Index provides inverse daily exposure to the performance of the Euro Stoxx 50® Total Return index (the "**Parent index**"). Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase that same day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease that same day and investors will not benefit from the increase in the Parent Index.

The Parent Index is composed of the 50 largest stocks of the eurozone member countries. These stocks are selected on the basis of their market capitalisation, liquidity and sector representativeness. The Parent Index seeks to ensure that country and economic sector weightings reflect the eurozone's economic structure as closely as possible.

The Benchmark Index's daily performance is equivalent to the inverse of the daily performance of the Parent Index, plus the interest (at the EONIA rate) that is received daily on two times the Benchmark Index's closing price, less the costs incurred from the short sale of the securities that make up the EURO STOXX 50® index.

The Benchmark Index is therefore used to short the Parent Index.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.stoxx.com/indices.
The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index is calculated daily at the closing price using the official closing price of the exchange where the securities that make up the index are traded.
The Benchmark Index's closing price is available on the Internet at www.stoxx.com/indices

Pursuant to the provisions of the European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Stoxx Ltd, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The composition of the Benchmark Index will vary when the Parent Index is revised. The Parent Index is revised annually in September.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in major stock exchange indices or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector.

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

A counterparty to derivative financial instruments (the "**Counterparty**") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.
The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to the daily changes which affect the price or level of the Parent Index.
The daily reset in the exposure in the underlying "short" strategy index formula implies that the Sub-fund's performance will not be equivalent to the inverse performance of the Parent Index for holding periods greater than one trading day. This effectively reduces investor exposure to volatility.
For example, if the Parent Index gains 10% on a given business day and then loses 5% the following business day, the Sub-fund's net asset value will decline by 5.5% (before the deduction of the applicable fees) over these two days, while the Parent Index will have gained a total of 4.5%.
If the Parent Index loses 5% a day over two consecutive business days, it will have lost a total of 9.75%, while the Sub-fund will have gained a total of 10.25%, before the deduction of the applicable fees.

Negative scenario 1 — The leverage effect is negative and is greater than 1 and the Parent Index increases

	Parent Index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	10%	110	-10%	90	x-1
Day 2	-8%	101.2	8%	97.2	x-1
Total return	1.20%		-2.80%		x-2.33

Negative scenario 2 — The leverage effect is negative and is less than 1 and the Parent Index decreases

	Parent Index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	-10%	90	10%	110	x-1
Day 2	6%	95.4	-6%	103.4	x-1
Total return	-4.60%		3.40%		x-0.74

Inverse leverage scenario — The leverage effect is positive over the period

	Parent Index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	5%	105	-5%	95	x-1
Day 2	-5%	99.75	5%	99.75	x-1
Total return	-0.25%		-0.25%		x1

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
An "event that affects the index" may, for example, be any of the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.
Investors in this Sub-fund are seeking inverse exposure to the daily performance of the European equities market, whether positive or negative.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
Given the speculative nature of this Sub-fund it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, at 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**", and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received before 5:00 pm (Paris time) on the following Primary Market Day. Orders to purchase or redeem shares in the Sub-fund must be for a minimum amount of at least 100,000 euros.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be established daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.40% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no other relationship with the licence-holder than the licence that was granted for the EURO STOXX 50® DAILY SHORT index and the associated registered trademarks which may be used in conjunction with the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the shares of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund, which they also refrain from marketing or promoting.
- make no investment recommendation whatsoever in respect of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund or in respect of any other securities whatsoever.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the shares of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund and make no decisions in relation to this.
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund.
- have no obligation to take into consideration the needs of the LYXOR EURO STOXX 50 DAILY (-1X) INVERSE UCITS ETF Sub-fund or of its shareholders when determining, constructing or calculating the EURO STOXX 50® DAILY SHORT index.

STOXX and its licensors decline any liability in relation to the Lyxor EURO STOXX 50 Daily (-1X) Inverse UCITS ETF Sub-fund. More specifically,

- STOXX and its Licensors do not provide or assure any warranty or guarantee whatsoever, either expressed or implied, concerning:

- The results that may be obtained by the Lyxor EURO STOXX 50 Daily (-1X) Inverse UCITS ETF Sub-fund, by investors in the Lyxor EURO STOXX 50 Daily (-1X) Inverse UCITS ETF Sub-fund, or by any other person involved in the use of the EURO STOXX 50® DAILY SHORT index or of the EURO STOXX 50® DAILY SHORT index data;
  - The Accuracy or completeness of the EURO STOXX 50® DAILY SHORT index and the data it contains;
  - The negotiability of the EURO STOXX 50® DAILY SHORT index and its data and their suitability for a specific use or purpose;
- STOXX and its licensors disclaim any and all liability for any error, omission or interruption in the EURO STOXX 50® DAILY SHORT index or its data.
- Under no circumstance shall STOXX or its licensors be liable for any economic loss whatsoever, including consequential loss, including consequential loss, even if STOXX and its licensors are informed of such risk.

The license agreement between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX was agreed in their sole interests, and not in the interest of the share-holders of the Lyxor EURO STOXX 50 Daily (-1X) Inverse UCITS ETF Sub-fund or of any third party.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 28: LYXOR FTSE MIB DAILY (-2X) INVERSE (XBEAR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010446666

CLASSIFICATION

The Lyxor FTSE MIB Daily (-2x) Inverse (Xbear) UCITS ETF (the "**Sub-fund"**) is an exchange-traded index-tracking UCITS fund.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 1 June 2018 and was formed on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to provide inverse exposure with daily 2x leverage to the performance of the Italian equities markets, whether positive or negative, by replicating the performance of the FTSE MIB Daily Super Short Strategy RT Gross TR strategy index (the "**Benchmark Index**"), whether positive or negative and while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the FTSE MIB Daily Super Short Strategy RT Gross TR strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in EUR.
The Benchmark Index is a strategy index designed and maintained by FTSE.

The Benchmark Index provides inverse exposure, which is readjusted daily, to the performance of the Parent Index, whether positive or negative, and with 2x leverage. Therefore, if the Parent Index falls on one trading day, the Sub-fund's net asset value will rise by double that amount on that same day, and if the Parent Index rises on a trading day, the Sub-fund's net asset value will fall by double that amount on that day and shareholders will not be able to profit from the rise in the Parent Index.

The short positions taken on the Benchmark Index entail borrowing costs which are included in the Benchmark Index calculation methodology.

Thus, the Benchmark Index performance calculated on one trading day is equal to 2x the inverse performance of the Parent Index on that day, plus the cumulative interest received daily on three times the Benchmark Index's closing value, less the cost of short selling 2x the securities that underlie the Parent Index.

The Parent Index is free-float market capitalisation weighted and measures the performance of the 40 largest stocks on the Borsa Italiana exchange

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://www.ftse.com/products/indexmenu
The performance tracked is that of the closing prices of the index equities.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The Benchmark Index closing price is available on the index provider's website at http://www.ftse.com/products/indexmenu

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE International Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.
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Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.
The Parent Index is revised quarterly.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

The exact composition of the Benchmark Index and the rules for its revision are available on the index provider's website at http://www.ftse.com/products/indexmenu.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of ‘balance sheet’ assets in the Sub-fund’s portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor’s website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity.

This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly invest in the equities that comprise the Benchmark Index.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in major stock exchange indices or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor’s website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities (“**UCITS**”) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund’s net assets.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.
To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund’s management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the “**Counterparty**”) will have no discretion over the composition of the Sub-fund’s portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company’s conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:
- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to two times the daily change in the price or level of the Parent Index. Therefore, any gain in the underlying market will be inversely amplified and will imply a larger decrease in the Sub-fund's net asset value. The daily readjustment in the underlying 'double short' index formula implies that the Sub-fund's performance will not be equivalent to two times the inverse performance of the Parent Index exposure for holding periods greater than one business day. For example, if the Parent Index increases 10% on a given business day and then decreases 5% the following business day, the Sub-fund's net asset value will decline by12% (before the deduction of fees) over these two days, while the Parent Index will have gained 4.5% over this period.

If the Parent Index falls 5% per day over two consecutive business days, it will have decreased a total of 9.75%, whereas the Sub-fund (before the deduction of fees) will have gained a total of 21%.

Negative scenario 1	The leverage effect is negative and greater than 2 and the Parent Index increases				
	Parent Index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	10%	110	-20%	80	x-2
Day 2	-5%	104.5	10%	88	x-2
Total return	4.50%		-12.00%		x-2.67

Negative scenario 2	The leverage effect is negative and less than 2 and the Parent Index decreases				
	Parent index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	-10%	90	20%	120	x-2
Day 2	6%	95.4	-12%	105.6	x-2
Total return	-4.60%		5.60%		x-1.22

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario	The leverage effect is positive over the period				
	Parent Index		Strategy index		
	performance day i	value day i	performance day i	value day i	leverage effect
		100		100	
Day 1	5%	105	-10%	90	x-2
Day 2	-5%	99.75	10%	99	x-2
Total return	-0.25%		-1.00%		x4

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
An "event that affects the index" may, for example, be any of the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking inverse exposure with 2x leverage to the performance, whether positive or negative, of the Italian equities market and more specifically to the 40 largest stocks traded on the Borsa Italiana exchange

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**" and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**".
Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be established daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated

- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "**iNAV**"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares subscribed	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Lyxor FTSE MIB Daily (-2x) Inverse (Xbear) UCITS ETF is in no way sponsored, endorsed, sold or promoted by FTSE nor by Borsa Italiana Spa.

FTSE and Borsa Italiana Spa provide no warranty nor make no commitment, either express or implied, as to the results that may be obtained from using the FTSE MIB Daily Super Short Strategy RT Gross TR Index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by FTSE or on its behalf.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 29: LYXOR FTSE MIB DAILY (2X) LEVERAGED UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010446658

CLASSIFICATION

Eurozone country equities.

The Lyxor FTSE MIB Daily (2x) Leveraged UCITS ETF sub-fund (the "**Sub-fund"**) will continuously maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to provide exposure with daily 2x leverage to the performance of the Italian equities market, whether positive or negative, by replicating the performance of the FTSE MIB Daily Leveraged RT Net-of-Tax (Lux) TR strategy index with net dividends reinvested (the "**Benchmark Index**"), whether positive or negative and while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the FTSE MIB Daily Leveraged RT Net-of-Tax (Lux) TR strategy index with net dividends reinvested (which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares) denominated in EUR.

The Benchmark Index is a strategy index designed and calculated by the international index provider FTSE and Borsa Italiana Spa.

The Benchmark Index is a strategy index that tracks the performance of the FTSE MIB Net Total Return index (the "Parent Index") with daily 2x leverage. The Benchmark Index's daily performance is twice that of the Parent Index's daily performance, less the borrowing costs that are necessary to obtain the 2x leverage. Therefore, when the Parent Index gains 2% on a given trading day, the Benchmark Index will gain 4% on that day, less the borrowing costs. Conversely, if the Parent Index falls 2% on a given trading day, the Benchmark Index will decline 4% on that day, less the borrowing costs.

The Parent Index is free-float market capitalisation weighted and measures the performance of the 40 largest stocks on the Borsa Italiana.
A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://www.ftse.com/products/indexmenu

The FTSE MIB Net Total Return index calculation methodology is available on the Internet at http://www.ftse.com/products/indexmenu

The performance tracked is that of the closing prices of the index equities.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The Benchmark Index closing price is available on the index provider's website at http://www.ftse.com/products/indexmenu

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE International Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.
The Parent Index is revised quarterly.

The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Parent Index and Euronext's rules for revising this index and consequently the Benchmark Index, are available on the Internet at http://www.ftse.com/products/indexmenu

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

The advantage of the "Leverage" strategy

The "Leverage" strategy (with a daily leverage effect) is a dynamic strategy that is applied to the Benchmark Index. By borrowing securities, it enables investors to double the effect of their investment, on a daily basis, in comparison with a "single" investment in the Parent Index. If the Benchmark Index rises, the gain on a given day will be twice as much as with a "single" investment in the Parent Index. However, in a bear market the multiplier effect of the leverage also doubles losses on a daily basis. The daily multiplier effect also affects the risks of the overall investment strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity.

This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
  - their inclusion in major stock exchange indices or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector.

The basket of equities held may be adjusted daily such that its value will generally be at least 100% of the Sub-fund's net assets. When necessary, this adjustment will be made to ensure that the market value of the swap contract mentioned above is less than or equal to zero, which will neutralise the counterparty risk arising from the swap.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).
To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the "**Counterparty**") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

The Sub-fund may be exposed to a legal risk arising from a total return swap (TRS) agreement as indicated in EU Regulation NO. 2015/2365. In particular, any decrease in the underlying market will be amplified and will imply a larger decrease in the Sub-fund's net asset value. Since the leverage in the Benchmark Index formula is reset daily the Sub-fund will not return twice as much as the Parent Index over a period of more than one trading day. For example, if the Parent Index gains 10% on a given trading day and then declines 5% the following trading day 2, the Sub-fund will have gained 8% (before fees) over these two days, while the Parent Index will have risen 4.5% over this period.
If the Parent Index falls 5% per day over two consecutive business days, it will have decreased a total of 9.75%, whereas the Sub-fund (before the deduction of the applicable fees) will have declined a total of 19% over this same period.

Negative scenario 1

The leverage effect is greater than 2 and the Parent Index decreases

Parent Index	Strategy Index

	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	20%	120	6%
Day 2	-11%	97. 9	-22%	93. 6	6%
Total return	-2. 10%		-6. 40%		x3. 05

Negative scenario 2

The leverage effect is less than 2 and the Parent Index increases

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-5%	95	-10%	90	6%
Day 2	6%	100.7	12%	100.8	6%
Total return	0.70%		0.80%		x1.14

Moreover, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has increased.

Inverse leverage scenario

The leverage effect is negative over the period

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	20%	120	40%	140	6%
Day 2	-16%	100.8	-32%	95. 2	6%
Total return	0.80%		-4.80%		x-6

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
An "event that affects the index" may, for example, be any of the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking inverse exposure to the 40 largest stocks traded on the Borsa Italiana exchange

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Dist share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption orders submitted after 5:00pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement

Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares subscribed	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)

Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

FTSE MIB Daily (2x) Leveraged UCITS ETF is in no way sponsored, endorsed, sold or promoted by FTSE nor by Borsa Italiana Spa.

FTSE and Borsa Italiana Spa assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the FTSE MIB Daily Leveraged RT Net-of-Tax (Lux) TR Index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by FTSE or on its behalf.

FTSE disclaims any and all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and shall not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 30: LYXOR FTSE MIB DAILY (-1X) INVERSE (BEAR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010446146

CLASSIFICATION

The Lyxor FTSE MIB Daily (-1x) Inverse (Bear) UCITS ETF sub-fund (the "**Sub-fund"**) is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to provide inverse exposure to the performance of the Italian equities markets, whether positive or negative, by replicating the performance of the FTSE MIB Daily Short Strategy RT Gross TR strategy index with net dividends reinvested (the "**Benchmark Index**"), whether positive or negative and while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is the FTSE MIB Daily Short Strategy RT Gross TR strategy index with gross dividends reinvested (which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares) denominated in EUR (the "**Benchmark Index**").
The Benchmark Index is a strategy index designed and calculated by the international index provider FTSE and Borsa Italiana Spa.

The Benchmark Index provides inverse exposure, which is reset daily, to increases and decreases in the Parent Index. Therefore, if the Parent Index decreases on a given day, the Sub-fund's net asset value will increase by the same amount that day, and conversely, if the Parent Index increases on a given day, the Sub-fund's net asset value will decrease by as much that day and investors will not benefit from the increase in the Parent Index.

The short positions taken on the Benchmark Index entail borrowing costs which are included in the Benchmark Index calculation methodology.

Thus, the Benchmark Index performance calculated on one trading day is equal to the inverse performance of the Parent Index on that day, together with interest received daily on 2x the previous Benchmark Index closing price less the cost of short positions for this trading day on the FTSE MIB index securities.

The Parent Index is free-float market capitalisation weighted and measures the performance of the 40 largest stocks on the Borsa Italiana.
A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://www.ftse.com/products/indexmenu

The performance tracked is that of the Benchmark Index's closing price denominated in euros.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

The Benchmark Index closing price is available on the index provider's website at http://www.ftse.com/products/indexmenu

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE International Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The revision of the Benchmark Index's composition is dependent on the composition of the Parent Index.
The Parent Index is revised quarterly.
The leverage factor used in the Benchmark Index calculation formula is reset daily. The consequences of this daily resetting are explained in the Benchmark Index and Risk Profile sections of this prospectus.

The exact composition of the Benchmark Index and Euronext's rules for revising the Benchmark Index are available on the index provider's website at http://www.ftse.com/products/indexmenu.
The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in major stock exchange indices or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
-
- diversification criteria, and in particular with respect to:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("**UCITS**") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets.
The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund’s liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares or units may deviate from the Sub-fund’s indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index’s underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily leverage reset risk

Investors are inversely exposed to the daily change in the price or level of the Parent Index.
The daily reset in the exposure in the underlying “short” strategy index formula implies that the Sub-fund’s performance will not be equivalent to the inverse performance of the Parent Index for holding periods greater than one trading day. For example, if the Parent Index increases 10% on a given business day and then decreases 5% the following business day, the Sub-fund’s net asset value will decline by 5.5% (before the deduction of the applicable fees) over these two days, while the Parent Index will have gained a total of 4.5%. If the Parent Index decreases 5% per day over two consecutive business days it will have decreased a total of 9.75%, while the Sub-fund will have gained a total of 10.25% over this period (before the deduction of the applicable fees).
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Negative scenario 1 The Parent Index increases and the leverage effect is negative and greater than 1

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	-10%	90	x-1
Day 2	-8%	101.2	8%	97. 2	x-1
Total return	**1.20%**		**-2. 80%**		**x-2,33**

Negative scenario 2 The Parent Index decreases and the leverage effect is negative and less than 1

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-10%	90	10%	110	x-1
Day 2	6%	95. 4	-6%	103. 4	x-1
Total return	**-4.60%**		**3. 40%**		**x-0,74**

Furthermore, if the Parent Index is highly volatile over a period of more than one day, the Sub-fund's net asset value may decline over this period even though the Parent Index has also declined.

Inverse leverage scenario The leverage effect is positive over the period

	Parent Index		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	5%	105	-5%	95	x-1
Day 2	-5%	99.75	5%	99.75	x-1
Total return	**-0.25%**		**-0.25%**		**x1**

- Risk that the investment objective may not be fully achieved

There is no guarantee of reaching the investment objective. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs.

- Risk of using derivative financial instruments

In order to secure the performance of the Benchmark Index and achieve its investment objective, the Sub-fund may enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
An "event that affects the index" may, for example, be any of the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index

iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund will be inversely exposed to increases and decreases in the prices of Italian equities and more specifically to the 40 largest stocks listed on the Borsa Italiana.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their current cash requirements and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**".

Subscription/redemption orders submitted after 5:00pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.
The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1.00% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual

- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares subscribed	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor FTSE MIB Daily (-1x) Inverse (Bear) UCITS ETF is in no way sponsored, endorsed, sold or promoted by FTSE nor by Borsa Italiana Spa.

FTSE and Borsa Italiana Spa assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by or in the name of FTSE.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 31: LYXOR BUND DAILY (-2X) INVERSE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010869578
The Lyxor Bund Daily (-2x) Inverse UCITS ETF sub-fund (the "**Sub-fund**") is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to provide inverse exposure to the daily performance, whether positive or negative, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years, with daily 2x inverse leverage, by replicating the performance of the Solactive BTP Daily (-2x) Leveraged Index (the '**Benchmark Index**'), denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is a strategy index developed by Solactive AG using a proprietary methodology. The Benchmark Index is calculated and maintained by Solactive AG.

The Benchmark Index provides inverse exposure, with daily 2x leverage, to the performance, whether positive or negative, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years, of which Euro-Bund futures contracts are a representative indicator. Accordingly, if EUR-Bund futures fall on a given trading day, the Sub-fund's net asset value should rise twice as much that day, and if EUR-Bund futures rise on a given trading day, the Sub-fund's net asset value should fall by twice as much that day, and share-holders will not profit from the rise of Euro-Bund futures.

Euro-Bund futures are a representative indicator of the performance of German sovereign bonds having a residual maturity of 8.5 to 10.5 years. They are traded on Eurex. The methodology employed is available at www.eurexchange.com

The Benchmark Index's daily performance is the inverse of twice the performance of the Euro-Bund futures, plus the daily interest (at the benchmark rate) paid on the fixing of the previous day's Benchmark Index.

This index is therefore representative of a short position on Euro-Bund futures, with 2x leverage and daily adustment. The index may be further adjusted during a trading session if it falls by more than 40%, i.e. if the absolute daily increase in Euro-Bund futures exceeds 20%.

The performance tracked is that of the Benchmark Index's closing fixing in euros.

Since the methodology used to calculate the Benchmark Index is not based on direct investment in Bunds but on indirect investment in futures, the Sub-fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts every quarter.

Over time this could significantly diminish the Sub-fund's performance in comparison with the gross performance of the long positions on the underlyings of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-fund.

A full description of the Benchmark Index and its construction methodology and information on its composition are available on the Internet at https://www.solactive.com.

Benchmark Index composition and revision

The Benchmark Index is rebalanced daily.
The frequency of the aforementioned adjustment could have an impact on the Sub-fund's costs and could therefore diminish its performance.

Benchmark index publication

The Benchmark Index is calculated daily using the official closing fixing of Euro-Bund futures at 5.15 pm.
The Benchmark Index's fixing is available on the index provider's website at https://www.solactive.com.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, Solactive AG, the administrator of the Solactive BTP Daily (-2x) Leveraged Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced daily.
The exact composition of the Benchmark Index and the rules for its revision are available on the index provider's website at https://www.sgindex.fr/

The frequency of this rebalancing will have an impact on the Sub-fund's costs and could therefore diminish its performance.

Since the methodology used to calculate the Benchmark Index is not based on direct exposure to German government bonds (Bunds) but on indirect exposure via futures contracts, the Sub-fund's performance will be affected by the cost of 'rolling over' positions on these futures contracts each quarter.

Over time, this could significantly diminish the Sub-fund's performance in comparison with the gross performance of the short positions on the underlying of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-fund's shares.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in which the Sub-fund may invest may include those that make up the Benchmark Index, and may also include other securities from all economic sectors, listed on all financial markets, including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by a non-OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, the securities guaranteed or issued by a given sovereign issuer may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets, provided that these securities are financial instruments issued or guaranteed by an OECD Member State, the local authorities of a European Union Member State or a country that is a member of the European Economic Area.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in eurozone equities in all economic sectors and listed on any exchange, including small-cap exchanges.

These securities will be bonds selected on the basis of the following criteria:

- eligibility criteria, in particular:
  - senior debt
  - fixed maturity
  - maximum residual maturity
  - minimum issuance size
  - minimum S&P or equivalent credit rating
-
- diversification criteria, and in particular with respect to:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's securities (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses

that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Interest rate risk

The price of a bond can be affected by unexpected changes in the level of interest rates, which in particular may modify the shape of the yield curve in particular. The bonds that make up the Benchmark Index are exposed to changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Daily double-short leverage reset risk

Investors are inversely exposed to two times the daily increase or decrease in the price of the Bund futures that underlie the Benchmark Index. Therefore, any gain in the underlying market will be inversely amplified and will result in a larger decrease in the Sub-fund's net asset value. Since the underlying 'double short' index formula is reset daily, the Sub-fund's performance will not be equivalent to two times the inverse performance of the Bund futures over periods of more than one business day This effectively reduces investor exposure to volatility.
For example, if the Bund futures that underlie the Benchmark Index rise 10% on a given business day, and then fall 5% on the next business day, the Sub-fund will decline a total 12% over these two days (before the deduction of the applicable fees), whereas the Bund futures that underlie the Benchmark Index will have gained 4.50% over this period.

If the Bund futures that underlie the Benchmark Index fall 10% on a given business day and then rise 6% the following business day, the Sub-fund will gain 5.60% over these two days (before deduction of the applicable fees), whereas the Bund futures that underlie the Benchmark Index will have lost 4.60% over this period.

Accordingly, if the Bund futures that underlie the Benchmark Index gain 5% on a given business day and then fall 5% the following business day, the Sub-fund will lose 1% over these two days (before the deduction of the applicable fees), while the Bund futures that underlie the Benchmark Index will have also declined over this period, but only by 0.25%

Negative scenario 1
The overall price of the Benchmark Index's underlyings increases and the leverage effect is negative and greater than 2

	Benchmark Index underlying		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	10%	110	-20%	80	x-2
Day 2	-5%	104.5	10%	88	x-2
Total return	4.50%		-12. 00%		x-2. 67

Negative scenario 2
The overall price of the Benchmark Index's underlyings decreases and the leverage effect is negative and less than 2

	Benchmark Index underlying		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	-10%	90	20%	120	x-2
Day 2	6%	95. 4	-12%	105. 6	x-2
Total return	-4.60%		5. 60%		x-1.22

Furthermore, it is possible that if the Benchmark Index underlying is highly volatile over a period of more than one day the Sub-fund's net asset value may decline even though the Benchmark Index's underlying also declines over this period.

Inverse leverage scenario:

The leverage effect is positive over the period

	Benchmark Index underlying		Strategy Index		
	Performance day i	Value day i	Performance day i	Value day i	Leverage effect
		100		100	
Day 1	5%	105	-10%	90	x-2
Day 2	-5%	99.75	10%	99	x-2
Total return	-0.25%		-1.00%		x4

- Futures roll-over risk

Since the Benchmark Index consists of futures contracts on German government bonds (Bunds), maintaining this exposure requires that positions on these contracts be rolled over from one quarter to the next. This 'roll-over' involves transferring the position on a futures contract that is about to mature (and in any case before the contract expires) to a futures contract with a longer maturity.

When futures contracts are rolled over investors may be exposed to a potential loss or gain. In some market configurations quarterly roll-over could systematically generate a loss and thus over time significantly diminish the Sub-fund's performance in comparison with the gross performance of the underlying of the aforementioned futures contracts, particularly in the case of a long-term investment in the Sub-fund's shares.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking inverse exposure to the performance, whether positive or negative and with daily 2x leverage, of German sovereign bonds having a residual maturity of 8.5 to 10.5 years.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

Given this Sub-fund's speculative nature it may not be suitable for investors with a medium to long-term investment horizon.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be issued at a price that is equivalent to the net asset value of the corresponding absorbed unit class on the day the Lyxor Bund Daily (-2x) Inverse UCITS ETF is merged.
Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 3% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.20% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor Bund Daily (2x) Inverse UCITS ETF is a French Sub-fund that has been approved by l'Autorité des Marchés Financiers. The Sub-fund's prospectus is available on the Internet at www.lyxoretf.com or upon request to the Management Company.

The Sub-fund is not, in any way whatsoever, sponsored, supported, promoted or marketed by Solactive AG, which assumes no obligation and provides no warranty, expressed or implied, in respect of the results that may be obtained from using the Benchmark Index and/or the Benchmark Index brand or of the level the Benchmark Index may reach at any given time or date, or of any other type. The Benchmark Index is calculated and published by Solactive AG, which does its best to ensure that the Benchmark Index is calculated correctly. Regardless of its obligations to the issuer, Solactive AG is in no way whatsoever obliged to inform any third party, including the Sub-fund's investors and financial intermediaries, of any errors that may affect the Benchmark Index. Solactive AG's publication of the Benchmark Index and the licence to use the Benchmark Index or its brand in respect of the Sub-fund may in no way be construed to be a recommendation by Solactive AG to invest in the Sub-fund's shares or a warranty or an opinion provided by Solactive AG in respect of an investment in the Sub-fund's shares. Solactive AG shall not be liable for the consequences of any views or opinions that may be based on this statement nor for any omission.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT

91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.
Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the assumptions set out in the above paragraph, the securities issued by the same issuing state may represent up to 35% of the assets, and 100% of the assets if the Sub-fund holds at least six issues none of which exceeds 30% of the assets. The securities must be financial instruments issued or guaranteed by a Member State of the OECD, local authorities of a Member State of the European Union or a party to the agreement on the EEA.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 32: LYXOR FTSE MIB (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010010827
Acc share class: FR0014002H76

CLASSIFICATION

Eurozone equities.

The Lyxor FTSE MIB UCITS ETF sub-fund (the "**Sub-fund"**) will continuously maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, and possibly to the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the FTSE MIB™ Net Total Return (with net dividends reinvested) index denominated in euros (the "**Benchmark Index**") while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected maximum ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index measures the performance of 40 stocks listed on the Italian stock exchange and aims to replicate the sector breakdown of the Italian stock market.

The Benchmark Index is a Net Total Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The composition of the Benchmark Index is based on three criteria: free float, liquidity, and the representativeness of the market's main sectors as defined under the Industrial Classification Standard (ICB).

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at: http://www.ftse.com

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index's closing price is available on the FTSE's website at http://www.ftse.com

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, FTSE International Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and Euronext's rules for its revision by are available on its website at http://www.ftse.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter through "direct replication", which means that the Sub-fund will invest mainly in a basket of assets composed of the securities that underlie the Benchmark Index and/or in financial instruments that are representative of all or some of the Benchmark Index securities.

The Sub-fund may also invest in derivative financial instruments (**DFI**). The DFI in which the Sub-fund may invest include, inter alia, futures contracts on indices or on all or some of the Benchmark Index components, and hedging swaps, in particular to minimise the Sub-fund's tracking error.

When the Sub-fund holds cash, in accordance with the investment strategy (e.g. when using futures), the fund manager may, in the best interest of investors, deposit this cash with a credit institution or invest it in balance sheet assets and/or off balance sheet assets (as described below).

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of balance sheet assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.
The Sub-fund will at all times invest at least 75% of its assets in companies that have their registered office in a Member State of the European Union or a 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. Compliance with this minimum investment requirement makes the Sub-fund eligible for French 'PEA' equity savings plans.

The Sub-fund may invest up to 20% of its assets in the equities of a single issuer. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly invest in the securities described below:

• Equities

The Sub-fund will mainly invest in the equities that comprise the Benchmark Index.

• Shares or units in other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ other foreign investment funds (specify)

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is affiliated with the Management Company.

3. Off-balance sheet assets (derivatives)

The Sub-fund may trade in derivatives subject to the following conditions:

• Eligible markets
☒ regulated
☒ organised
☒ over-the-counter

• Risks the Sub-fund may hedge or increase exposure to
☒ equity
☐ interest rates
☐ currency
☐ credit

• Purpose (all transactions must be consistent with the investment objective)
☒ hedging
☒ exposure
☐ arbitrage
☐ other types (specify)

• Eligible instruments:
☒ futures: on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other types (specify)

• Strategy for using derivatives to achieve the investment objective:
☒ to hedge the overall portfolio against certain risks, securities, etc. (up to 100% of assets)
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

The counterparties for the Sub-fund's OTC derivatives transactions will be selected in accordance wih the Management Company's best-execution policy (including with the execution matrix for each type of asset shown in the Appendix). The aforementioned policy is available at https ://www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French monetary and financial code, including the temporary sale and repurchase of securities.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "Agent"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- the Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating fees/expenses.
- the aforementioned operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by The Sub-fund's Management Company, the Agent (if applicable) and/or other intermediaries that are involved in these transactions.
- the direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these fees/expenses are paid will be provided in the Sub-fund's annual report.
- income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses that may be borne by the Agent and the Management Company. Since these direct and indirect operating expenses do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating cost/charges associated with these transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Risk of using derivative financial instruments:

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.
The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund. The market value of DFI is highly volatile and they may therefore be subject to large variations.
The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Companyentities of the same group as the Management Company.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:

i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to Italian equities.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least three years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.
Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor FTSE MIB UCITS ETF.
Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Dist share class	Acc share class
	EUR	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm(1)	Redemption orders are processed until 5.00 pm(1)	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

(1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "reference NAV". Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated daily, provided that at least one exchange on which the Sub-fund is listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.
To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "**iNAV**"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.
- Direct and indirect operating fees/expenses of securities financing transactions

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.35% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The income from these transactions	20% for the Management Company 15% for the Agent

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The LYXOR ETF FTSE MIB fund is in no way sponsored, endorsed, sold or promoted by FTSE or by Borsa Italiana Spa.
FTSE and Borsa Italiana Spa assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the FTSE MIB™ Net Total Return index (hereinafter the "Index") and/or the level this Index may reach at any given time or date, or of any other type. The Index is calculated by FTSE or on its behalf. FTSE disclaims any and all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and shall not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT

91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 33: LYXOR IBEX 35 (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010251744
Acc share class: FR0012205672

CLASSIFICATION

Eurozone equities.

The Lyxor IBEX 35 (DR) UCITS ETF sub-fund (the "Sub-fund") continuously maintains at least 60% exposure to the equity markets of one or more eurozone countries, including the French equity market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the IBEX 35 Net Return index (with net dividends reinvested) index (the "**Benchmark Index"**) denominated in euros and the main Spanish stock market index, while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.20%.

BENCHMARK INDEX

The Benchmark Index is an equity index that is calculated and published by Sociedad de Bolsas.
The Benchmark Index is composed of 35 Spanish stocks selected on the basis of their liquidity.
The Benchmark Index is a Net Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://www.bolsamadrid.es

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.

Real-time Benchmark Index values are available via Bloomberg and Reuters.
The closing price of the Benchmark Index is available on the Internet at http://www.bolsamadrid.es

Pursuant to the provisions of the European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Sociedad de Bolsas , the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and Sociedad de Bolsas' rules for its revision by are available on its website at http://www.bolsamadrid.es

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French monetary and financial code and in particular temporarily dispose of securities subject to the requirements explained below.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf. com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The Sub-fund will at all times invest at least 75% of its assets in companies that have their head office in a Member State of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

- Eligible markets:

☒ regulated
☒ organised
☒ over-the-counter

- Risks which the Sub-fund may seek to hedge or gain exposure to:

☒ equity
☐ interest rates
☐ currency
☐ credit

- Purpose (all transactions must be consistent with the investment objective)

☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

- Types of instruments used:

☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

- Strategy for using derivatives to achieve the investment objective:

☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-execution by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: up to 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- The Sub-fund shall be entitled to all income from such temporary disposal of securities, net of any direct and indirect operating fees/expenses.
- These operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by the Management Company, the Agent (if applicable) and/or any other intermediaries that are involved in these transactions.
- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these fees/expenses are paid will be provided in the Sub-fund's annual report.
- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses which may be borne by the Agent and the Management Company. Since these direct and indirect operating fees/expenses do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating fees/expenses associated with these transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments that comprise the Benchmark Index selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares or units may deviate from the Sub-fund’s indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund’s counterparty to an efficient portfolio management technique (hereinafter “EPMT”) defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Companyentities of the same group as the Management Company.

- Collateral management risks

Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk

The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.
The market value of DFI is highly volatile and they may therefore be subject to large variations.
The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to Spanish equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.
Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Dist share class	Acc share class
	EUR	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption orders submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

In this case, the subscription and redemption of units will be subject to the fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", which serve to cover the Sub-fund's transaction costs.

In these exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "**iNAV**"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

No subscription or redemption fee will be charged for any purchase or sale of Sub-fund shares on an exchange where the Sub-fund is listed

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund
- direct and indirect operating fees/expenses of securities financing transactions/

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.30% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The amount of income from these transactions	20% for the Management Company 15% for the Agent.

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds”. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 90% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Sociedad de Bolsas, the owner of the IBEX 35® index and its associated trademarks, warrants that it does not sponsor, promote or evaluate the appropriateness of investing in this financial product. Authorisation to use this index or an associated trademark shall not be construed as a favourable opinion as to the appropriateness or advantage to be gained from investing in this financial product.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com

More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 34: LYXOR MSCI EUROPE (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0010261198

CLASSIFICATION

Global equities

The Lyxor MSCI Europe (DR) UCITS ETF sub-fund (the "**Sub-fund**") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and will be established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI Europe Net Total Return Index with net dividends reinvested (the "**Benchmark Index"**), which is representative of mid-cap and large-cap companies listed on developed European equity markets and is denominated in euros (EUR), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is the MSCI Europe Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares. This index is denominated in EUR.

The Benchmark Index is an equity index weighted by market capitalisation and adjusted for free-float. It is calculated and published by the international index provider MSCI.

The Benchmark Index has the same basic characteristics of all MSCI indices, which include:

a) the universe of securities that comprise the Benchmark Index;
b) free-float adjustment of index components;
c) classification by sector based on the Global Industry Classification Standard (GICS) .

The Benchmark Index is representative of mid-cap and large-cap companies listed on developed European equity markets. It is composed exclusively of the securities of European countries and aims to include 85% of the free-float-adjusted market capitalisation of each country in the index and each group of European industries.

By targeting 85% of each country and of each industry group, the Benchmark Index will capture 85% of the total market capitalisation of the European markets, while also reflecting their economic diversity.

The MSCI methodology and calculation method are based on a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://www.msci.com

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The official MSCI indices are calculated continuously from 9.00am to 5:30 pm (Paris time) for which MSCI calculates a closing price using the official closing prices of the constituent stocks.
The Benchmark Index is also calculated in real time every stock exchange trading day.
The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and MSCI's rules for its revision are available on the index provider's website at http://www.msci.com.

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, MSCI Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. **Strategy employed**

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund’s tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a “sampling” technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund’s portfolio, information on the updated composition of the basket of ‘balance sheet’ assets in the Sub-fund’s portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor’s website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

- Eligible markets:

☒ regulated
☒ organised
☒ over-the-counter

- Risks which the Sub-fund may seek to hedge or gain exposure to:

☒ equity
☐ interest rates
☐ currency
☐ credit

- Purpose (all transactions must be consistent with the investment objective)

☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

- Types of instruments used:

☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

- Strategy for using derivatives to achieve the investment objective:

☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French Monetary and Financial Code, including the temporary sale and purchase of securities.

- Possible types of transactions

☐ Repos and reverse repos pursuant to the French monetary and financial code
☒ Securities borrowing and lending pursuant to the French monetary and financial code
☐ Other types (specify)

- Purpose (all transactions must be consistent with the investment objective)

☐ Cash management
☒Optimise the Sub-fund's income
☐ Other types (specify)

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating fees/expenses.
- These operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by the Management Company, the Agent (if applicable) and/or any other intermediaries that are involved in these transactions.
- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.
- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses which may be borne by the Agent and the Management Company. Since these direct and indirect operating fees/expenses do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the risk exposure resulting from efficient portfolio management transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk; and
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating cost/charges associated with these transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares or units may deviate from the Sub-fund’s indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as ‘sampling’, which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Risks of using efficient portfolio management techniques

The default of a counterparty to an efficient portfolio management technique (hereafter “EPMT”) used by the Sub-fund could expose it to the risk that the value of the collateral it has received may be less than the value of the assets it has transferred to the counterparty to the EPMT transaction. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with entities of the same group as that of the Management Company.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.
The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves “leverage”. A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.
The Sub-fund can enter into transactions involving derivative financial instruments (DFI) traded over the counter.
The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund’s Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to European equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class
	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 4.00 pm[1]	Redemption orders are processed until 4.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 4:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption requests submitted after 4:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 4:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 EUR, for the Acc share class.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

In this case, subscriptions and redemptions will be subject to the charges indicated in the section entitled "*SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions*", which serves to cover the Sub-fund's trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative Net Asset Value:</u>

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) <u>If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following</u>

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.
- The direct and indirect operational cost/charges of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.25% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
Direct and indirect operating fees/expenses of securities financing transactions.	Income obtained from these transactions	20% for the Management Company 15% for the Agent

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor MSCI Europe (DR) UCITS ETF (the "**Fund**") is in no way sponsored, approved, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either express or implied, to holders of the Sub-fund's shares or, more generally, to the general public, concerning the merits of trading in the shares or units of investment funds in general or in the shares of this Fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 35: LYXOR MSCI USA ESG (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010296061
Acc share class: FR0011363423
Monthly Hedged to EUR – Acc share class: FR0012969624

CLASSIFICATION

Global equities

The Lyxor MSCI USA ESG (DR) UCITS ETF sub-fund (the "**Sub-fund**" is continuously at least 60% exposed to at least one foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI USA ESG Broad Select Net Total Return index (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected maximum ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is the MSCI USA ESG Broad Select Net Total Return index (i.e. with net dividends reinvested), which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The Benchmark Index is an equity index that is calculated and published by the international index provider MSCI. It has the following characteristics:

a) An investment universe identical to that of the MSCI USA Index (the "Parent Index"), including large and mid-cap stocks aiming to represent 85% of the free float-adjusted capitalisation of each industry group in the US market.

b) ESG screening is performed, as specified in the methodology, to exclude the following companies from the Investment Universe:
- Companies involved in controversial business activities, such as controversial weapons, nuclear weapons, tobacco, thermal coal or oil sands extraction. The exposure criteria differ for each of these activities in accordance with MSCI's methodology.
- Companies involved in serious ESG controversies, as determined by MSCI's ESG Controversies Score.

c) The index observes an optimisation process to select and weight the companies in the eligible universe.
This optimisation process aims to maximise exposure to companies with superior ESG scores while maintaining a risk/return profile near that of the parent index. The MSCI ESG rating methodology uses a rules-based methodology designed to measure a company's resilience to the long-term material ESG risks of its sector. It is based on the key ESG issues of a company's main business activity and the specific challenges of its sector, which may mean significant risks or opportunities for the company. The key ESG challenges are weighted in accordance with the impact and time horizon of the risk or opportunity. Key ESG issues include, for example, water stress, carbon emissions, human resources management and corporate ethics.

d) The following optimisation constraints are applied whenever the Benchmark Index is rebalanced:
- a target ex-ante tracking error relative to the Parent Index
- a 30% reduction in carbon intensity compared to the Parent Index
- a minimum and maximum weight for each company in the index in relation to the Parent Index
- a maximum weighting deviation from the Parent Index sector/country allocation.
- a maximum turnover for each Benchmark Index rebalancing.

The Sub-Fund's ESG approach thus enables it to improve its average ESG indicators by at least 20% relative to the initial investment universe. The limits of the ESG approach are indicated in the Risk Profile section below. The ESG data covers over 90% of the eligible equities of the Benchmark Index.

The environmental and/or social characteristics promoted by the Sub-fund are implemented by the MSCI ESG rating methodology, as described above.

The Index is a net total return index. A net total return index measures the performance of its components after including any dividends or other distributions and deducting any withholding tax.

The Index construction method (including the rules governing its re-weighting and the adjustment of its components) can be found on the MSCI website at www.msci.com.

Benchmark Index composition and revision

The Benchmark Indicator is revised quarterly in February, May, August and November to coincide with the quarterly revisions of the Parent Index on the same dates. Modifications are made at the end of February, May, August and November.
The Investment Universe and the Eligible Universe are updated during the quarterly reviews of the Benchmark Index.
The exact composition of the Benchmark Index and MSCI's rules for its revision are available on MSCI's website at www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The Benchmark Index is published in real time on MSCI's website at https: //www.msci.com/.
The Benchmark Index's closing price is available on MSCI's website at https://www.msci.com/.
Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.
Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring benchmark indices.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter through "direct replication", which means that the Sub-fund will invest mainly in a basket of assets composed of the securities that underlie the Benchmark Index and/or in financial instruments that are representative of all or some of the Benchmark Index securities.

The sub-fund may also use derivative financial instruments("**DFI**"). The DFI in which the Sub-fund may invest include, inter alia, futures contracts on indices or on all or some of the Benchmark Index components, and hedging swaps, in particular to minimise the Sub-fund's tracking error.

When the Sub-fund holds cash, in accordance with the investment strategy (e.g. when using futures), the fund manager may, in the best interest of investors, deposit this cash with a credit institution or invest it in balance sheet assets and/or off balance sheet assets (as described below).

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by the Management Company, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly invest in the securities described below:

- Equities

The Sub-fund will mainly invest in the equities that comprise the Benchmark Index.

- Holding shares or units in other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may trade in derivatives subject to the following conditions:

- Eligible markets:

☒ regulated
☒ organised
☒ over-the-counter

- Risks to which Sub-fund may seek exposure

☒ equity
☐ interest rates
☐ currency
☐ credit

- Purpose (all transactions must be consistent with the investment objective)

☒ hedging
☒ exposure
☐ arbitrage
☐ other types (specify)

- Eligible instruments:

☒ futures on equities and indices
☐ options on equities and indices
☐ total return swaps (TRS) on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other types (specify)

- Strategy for using derivatives to achieve the investment objective:

☒ hedging of the overall portfolio, of certain risks, securities, etc. (up to 100% of assets)
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (please specify)

The counterparties for the Sub-fund's OTC derivatives transactions will be selected in accordance wih the Management Company's best-execution policy (including with the execution matrix for each type of asset shown in the Appendix). The aforementioned policy is available at https://www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretionary power over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to a DFI, a conflict-of-interests situation may arise between it and the Management Company. Such situations are governed by the Management Company's conflict-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French monetary and financial code, including the temporary sale and repurchase of securities.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "Agent"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating fees/expenses.
- The aforementioned operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by The Sub-fund's Management Company, the Agent (if applicable) and/or other intermediaries that are involved in these transactions.
- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these fees/expenses are paid will be provided in the Sub-fund's annual report.
- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses that may be borne by the Agent and the Management Company. Since these direct and indirect operating expenses do not increase the Sub-fund's operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the risk exposure resulting from efficient portfolio management transactions
- the identity of the counterparty(ies) involved in these transactions
- the type and amount of collateral received by the Sub-fund to reduce counterparty risk
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating cost/charges associated with these transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:
- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares or units may deviate from the Sub-fund’s indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Risk of using derivative instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.
The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund. The market value of DFI is highly volatile and they may therefore be subject to large variations.
The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as ‘sampling’, which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Risk of using efficient portfolio management techniques

If the Sub-fund’s counterparty to an efficient portfolio management technique (hereinafter “EPMT”) defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Shareholders' attention is drawn to the fact that TGEPs may be entered into with entities belonging to the same group as the Management Company.

- Collateral management risks

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund’s Benchmark Index.

- Currency risk of the Dist and Acc share classes

These shares are exposed to currency risk since they are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore cause the net asset value of these share classes to decrease, even if the value of the Benchmark Index increases.

- Monthly Hedged to EUR – Acc share class

To hedge the EUR currency risk of the Monthly Hedged to EUR – Acc share class vis-à-vis the currency of each of the securities that make up the Benchmark Index, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between each of these currencies and that of the share class. Given the monthly implementation of this hedging and the instruments employed, the hedging of currency risk is imperfect and the Sub-fund may be exposed to adverse market movements.

- Sustainability risks

In the context of sustainability risk management, the Management Company relies on the Benchmark Index, whose methodology integrates sustainability risks by optimising the investment universe on the basis of an ESG rating. This integration of these risks has a direct impact on the Benchmark Index’s investment universe. However, there is no absolute assurance that all sustainability risks will be eliminated, and the occurence of such risks may have an adverse impact on the value of the Benchmark Index’s underlying assets. More information on the Benchmark Index methodology can be found on the Internet at https://www.msci.com. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus. Sustainability risks

- ESG methodology risk

Benchmark indices that include ESG criteria generally use a best-in-class approach or a rating-improvement approach relative to the initial investment universe. Given this initial investment universe, it is possible that issuers with low ESG ratings may be included in the index, while still meeting the criteria of the index methodology approaches.

- Controversy market risk

Companies which have met a benchmark index's selection criteria may suddenly and unexpectedly be affected by a serious controversy that could adversely affect the Sub-fund's net asset value. When these securities are components of the benchmark index, they are likely to be held until the next index rebalancing.

- ESG score calculation risk

Most ESG scores and ratings are defined in relative terms, by comparing an issuer to a peer group. Therefore, issuers perceived by the market as having poor ESG practices could potentially be rated well if the other issuers in its peer group have even poorer ESG practices. ESG scores and ratings are calculated by an external provider which uses its own data, models and estimates and various sources of information that may vary with each issuer. The analysis is largely based on qualitative and quantitative data that are provided by the companies themselves and is therefore dependent on the quality of this information. Although constantly improving, corporate ESG reporting is still patchy and heterogeneous. The reliability, quality and accuracy of ESG data can sometimes limit the scope of ESG-based investment.

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ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors subscribing to this sub-fund are seeking exposure to the US equity market.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share class: the Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.
Acc and Monthly Hedged to EUR– Acc share classes: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Dist class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor MSCI USA UCITS ETF.
Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Dist share class	Acc share class	Monthly Hedged to EUR – Acc share class
	EUR	EUR	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**") and will be executed at the net asset value on that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 EUR, for the Acc, Dist and Monthly Hedged to EUR – Acc share classes.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.
To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters and the EUR/USD exchange rate indicated by Reuters (the WM Reuters fixing rate) to convert the Benchmark Index price into EUR.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable, and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.
- direct and indirect operating fees/expenses of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.25% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The income from these transactions	20% for the Management Company 15% for the Agent

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds”. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 90% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

LYXOR MSCI USA UCITS ETF (the “**Fund**”) is in no way sponsored, endorsed, sold or promoted by MSCI Inc. (“MSCI”), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in the shares or units of mutual funds in general or in the shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund’s shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

The Sub-fund promotes environmental and/or social characteristics, pursuant to Article 6 of the Taxonomy Regulation.

The European Union's Taxonomy Regulation aims to identify economic activities that are considered environmentally sustainable ("**Sustainable Activities**").

The Taxonomy Regulation identifies these activities according to their contribution to six main environmental objectives: (i) climate change mitigation, (ii) climate change adaptation, (iii) sustainable use and protection of water and marine resources, (iv) transition to the circular economy (waste, prevention and recycling), (v) pollution prevention and control, and (vi) protection of healthy ecosystems.

To be considered sustainable, an economic activity must demonstrate that it makes a substantial contribution to one or more of the six objectives, that it does not cause significant harm to any of these objectives (the so-called "DNSH" principle, "Do No Significant Harm") and that it is carried out in compliance with the minimum safeguards set out in Article 18 of the Taxonomy Regulation. The DNSH principle only applies to investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The Sub-fund may invest partially in economic activities that contribute to the following environmental objectives: climate change mitigation and climate change adaptation.

While the Sub-Fund may already hold investments in Sustainable Activities without being committed to a minimum share of investment, the Management Company shall use its best endeavours to ensure that this minimum share of the investments underlying the financial product made in Sustainable Activities is available as soon as reasonably practicable after the entry into force of the Regulatory Technical Standards with regards to the content and presentation of disclosures pursuant to Article 8(4), 9(6) and 11(5) of Regulation (EU) 2019/2088 as amended by the Taxonomy Regulation.
As data becomes available and calculation methodologies are developed, the description of the extent to which the underlying investments are made in Sustainable Activities will be made available to investors. This information, together with information on the proportion of enabling and transitional activities, will be included in a future version of the prospectus.

This commitment will be achieved in a progressive and ongoing manner, by engaging in discussions with the Benchmark administrator to incorporate the requirements of the Taxonomy Regulation into the Benchmark methodology as soon as reasonably possible. This will result in a minimum degree of alignment of the portfolio with Sustainable Activities which will be made available to investors at that time.

In the meantime, the degree of the portfolio's alignment with Sustainable Activities will not be available to investors.

If you have any questions, please contact the Management Company at the address below: client-services-etf@lyxor.com.

The Management Company draws investors' attention to the fact that the investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 36: LYXOR MSCI WORLD UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0014003IY1
Monthly Hedged to EUR– Acc share class: FR0014003N93
Dist share class: FR0010315770
Monthly Hedged to EUR – Dist share class: FR0011660927
Monthly Hedged to USD – Dist share class: FR0011669845
I– EUR share class: FR0013465804

CLASSIFICATION

Global equities

The LYXOR MSCI World UCITS ETF sub-fund (the "**Sub-fund**") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI World Net Total Return index, i.e. with net dividends reinvested (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is an equity index that is calculated and published by the global index provider MSCI.
It measures the aggregate performance of developed markets. On 31 January 2018, the MSCI World Index consisted of 1,649 stocks of the following 23 developed countries: Australia, Austria, Belgium, Canada, Denmark, Germany, Finland, France, Israel, Hong Kong, Ireland, Italy, Japan, The Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, The United Kingdom and The United States.

The Benchmark Index is built from a composite of the MSCI indices representing each of these 23 developed countries.

The Benchmark Index is a Net Total Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The weighting of each stock in the Benchmark Index is adjusted in line with its free-floating market capitalisation. As a result the number of stocks in the Benchmark Index can change over time.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at: www.msci.com.

The performance tracked is that of the Benchmark Index's closing price.

The Benchmark Index is weighted by market capitalisation.

Benchmark Index publication

The official MSCI indices are calculated on a daily basis at closing prices using the official closing stock market prices for the constituent stocks.

The Benchmark Index is also calculated in real time every stock exchange trading day.

The closing price of the Benchmark Index is available on MSCI's website atwww.msci.com.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, MSCI Limited, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.
The exact composition of the Benchmark Index and MSCI's rules for rebalancing the index are available on the Internet atwww.msci.com
The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund’s assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of ‘balance sheet’ assets in the Sub-fund’s portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor’s website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
  - their inclusion in major stock exchange indices or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)

- diversification criteria, and in particular with respect to:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor’s website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities (“UCITS”) that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund’s net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets for the value of the Benchmark Index (as described in sub-section 1 of this section).

To optimise the Sub-fund’s management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the “**Counterparty**”) will have no discretion over the composition of the Sub-fund’s portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company’s conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:
- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

- Currency risk of the Acc and Dist share classes

These shares are exposed to currency risk since they are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore cause the net asset value of these share classes to decrease, even if the value of the Benchmark Index increases.

- Currency hedging risk of the I-EUR, Monthly Hedged to EUR – Acc and Monthly Hedged to USD – Dist share classes:

To hedge the EUR currency risk (respectively the US dollar risk) against the currency of each of the securities that make up the benchmark index for the I-EUR, Monthly Hedged to EUR – Dist shares (respectively for the Monthly Hedged USD – Dist shares), the Sub-fund will employ a hedging strategy that enables it to reduce the impact of a change in the exchange rate between the currency of each of the securities that make up the Benchmark Index and that of the relevant share class. However, given the monthly adjustment of the hedging and the hedging instruments employed this does not necessarily ensure zero exposure to adverse market movements that may decrease the net asset value of the share class. The cost of hedging currency risk will also decrease the net asset value of the I-EUR, Monthly Hedged EUR – Dist and Monthly Hedged USD – Dist shares.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors subscribing to this sub-fund are seeking exposure to international equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist, Monthly Hedged to EUR – Dist, and Monthly Hedged to USD – Dist share classes: The Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.
Acc share class, Monthly Hedged to EUR - Acc share class and I – EUR share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

The I - EUR, Monthly Hedged to EUR – Acc, Monthly Hedged to EUR – Dist and Monthly Hedged to USD – Dist share classes employ a hedging mechanism that is rebalanced monthly, to reduce the impact of changes in the exchange rates of the currency of each of Benchmark Index's underlying securities and that of the relevant share class.

SHARE CLASS CURRENCY

Currency	Acc share class	Monthly Hedged to EUR – Acc share class	Dist share class	Monthly Hedged to EUR – Dist share class	Monthly Hedged to USD – Dist share class	I – EUR share class
	EUR	EUR	EUR	EUR	USD	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 bus. day	D-1 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption orders submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 EUR (for shares denominated in euros) and for a minimum amount in USD that is equivalent to 100,000 euros (for shares that are denominated in USD).

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.05% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters and the EUR/USD exchange rate published by Reuters to convert the Benchmark Index price into EUR.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable, and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) **If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following**

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.30% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

Lyxor MSCI Europe UCITS ETF (the "**Fund**") is in no way sponsored, approved, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either express or implied, to holders of the Sub-fund's shares or, more generally, to the general public, concerning the merits of trading in the shares or units of investment funds in general or in the shares of this Fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;

- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 37: LYXOR MSCI EMERGING MARKETS UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class (EUR): FR0010429068
Acc share class (USD): FR0010435297
I – EUR share class (EUR): FR0013465796

CLASSIFICATION

Global equities.

The Lyxor MSCI Emerging Markets UCITS ETF sub-fund (the "**Sub-fund**") is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and was established on 6 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI Emerging Markets Net Total Return (with net dividends reinvested) index (the "**Benchmark Index"**), denominated in United States dollars (USD), while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 1%.

BENCHMARK INDEX

The Benchmark Index is an equity index that is calculated and published by the global index provider MSCI.

The Benchmark Index is exclusively composed of emerging market equities and has the same basic characteristics as the MSCI indices, which include adjustment of the market capitalisation of stocks in the index based on their free float and classification by sector using the Global Industry Classification Standard (GICS).

The Benchmark Index provides exposure to the following 24 emerging equity markets (as of 31 January 2018): Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, South Africa, South Korea, Taiwan, Thailand, Turkey and United Arab Emirates.

The objective of the Benchmark Index is to represent 85% of the free float-adjusted market capitalisation of each group of industries in the emerging markets.

By targeting 85% representation for each industry group, the Benchmark Index reflects 85% of the entire market capitalisation of the emerging markets, while also mirroring the economic diversity of these markets.

The Benchmark Index is a Net Total Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com
The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.
The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The Benchmark Index's composition and MSCI's rules for its rebalancing are available on the internet at www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund's securities may consist of those that make up the Benchmark Index, as well as other international equities from all economic sectors, listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a single issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering affecting any of the securities that make up the Benchmark Index or in the event of a significant restriction of liquidity affecting one or more financial instruments in the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund may invest, in compliance with regulatory ratios, in global equities, in any economic sector and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in major stock exchange indices or in the Benchmark Index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)

- diversification criteria, and in particular with respect to:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
    - geography
    - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title. The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's equity assets (or of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).
To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative financial instruments.

- Maximum proportion of assets under management for which total return swaps may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps may be entered into: up to 100%.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Low Benchmark Index Diversification risk

The Benchmark Index to which investors are exposed covers a specific region, sector or investment strategy and therefore does not enable assets to be as broadly diversified as those of an index that is exposed to several regions, sectors or investment strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Emerging Market Risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies making up the Benchmark Index.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund can enter into over-the-counter derivative financial instruments (“DFI”), such as swaps, in order to achieve the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund’s net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency different from the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Changes in exchange rates may therefore adversely affect the Sub-fund’s Benchmark Index.

- Currency risk on the Acc and I – EUR share classes

These share class are exposed to currency risk since they are denominated in a different currency than the Benchmark Index. Changes in the exchange rate may therefore cause the net asset value of these share classes to decrease, even if the value of the Benchmark Index increases.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors subscribing to this sub-fund are seeking exposure to emerging equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

N/A.

DISTRIBUTION FREQUENCY

N/A.

SHARE CHARACTERISTICS

The Acc class shares will be initially sold at a price that is equivalent to the net asset value of the absorbed units on the date of the merger of the FCP fund Lyxor MSCI Emerging Markets UCITS ETF.
Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Acc share class	I – EUR share class
	EUR	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 bus. day	D-1 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:

- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value:

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "**iNAV**"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable and if the iNAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) <u>If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following</u>

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.55% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 92% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any entity involved in establishing the MSCI indices. The MSCI indices are the sole property of MSCI, and the MSCI indices are trademarks registered by MSCI and its subsidiaries and have been licensed, for specific purposes, by Lyxor Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the sub-fund or, more generally, to the general public, concerning the merits of trading in the shares of mutual funds in general or in shares of this sub-fund in particular or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the Sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 38: LYXOR JAPAN (TOPIX) (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class (EUR): FR0010245514
Dist share class (JPY): FR0010377028
Daily Hedged to EUR – Dist share class: FR0011475078
Daily Hedged to EUR – Acc share class: FR0011871045

CLASSIFICATION

Global equities.

The Lyxor Japan (Topix) (DR) UCITS ETF sub-fund (the "**Sub-fund"**) is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the TOPIX® Gross Total Return (with gross dividends reinvested) index (the "**Benchmark Index"**) denominated in Japanese yen (JPY), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is an equity index calculated and published by the Tokyo Stock Exchange.

- The Tokyo Stock Exchange, which is the main organised stock market in Japan, is divided into two Sections:
- The First Section consists of the largest listed companies in terms of market capitalisation.

The Second Section is dedicated to companies with smaller capitalisations or which are recently listed.
The Benchmark Index comprises all Japanese stocks listed in the First Section of the Tokyo Stock Exchange. Each Benchmark Index component is weighted by its stock market capitalisation.

The Benchmark Index is therefore particularly representative of the Japanese economy since it is comprised of a significant number of companies which have the largest capitalisations in the market.

The Benchmark Index is a Gross Total Return index which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://www.jpx.co.jp/english/

The performance tracked is that of the Benchmark Index's closing price in JPY.

Benchmark Index publication

The performance tracked is that of the Benchmark Index's closing price.

The Benchmark Index closing price is available on the index provider's website at http://www.jpx.co.jp/english/

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the administrator of the Benchmark Index is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index will be rebalanced whenever a Japanese firm enters or exits the First Trading section of the Tokyo Stock Exchange. The Benchmark Index is therefore not rebalanced periodically.

The exact composition of the Benchmark Index and the Tokyo Stock Exchange's rules for rebalancing the index are available on the Internet at http://www.jpx.co.jp/english/

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by the Management Company, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Lyxor website at www.lyxoretf.com features a page dedicated to the Sub-fund, which among other things explains the direct index replication method selected, i.e. either full replication of the Benchmark Index or sampling to limit replication costs. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

• Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

• The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

• Eligible markets:
☒ regulated
☒ organised
☒ over-the-counter

• Risks which the Sub-fund may seek to hedge or gain exposure to:
☒ equity
☐ interest rates
☐ currency
☐ credit

• Purpose (all transactions must be consistent with the investment objective)
☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

• Types of instruments used:

☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

• Strategy for using derivatives to achieve the investment objective:

☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25%.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- The Sub-fund shall be entitled to all income from such temporary disposal of securities, net of any direct and indirect operating fees/expenses.
- These operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by the Management Company, the Agent (if applicable) and/or any other intermediaries that are involved in these transactions.
- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these fees/expenses are paid will be provided in the Sub-fund's annual report.
- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses which may be borne by the Agent and the Management Company. Since these direct and indirect operating fees/expenses do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating fees/expenses associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

- (a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
- (b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
- (c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
- (d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
- (e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

- (i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
- (ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
- (iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
- (iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
- (v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
- (vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
- (iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as ‘sampling’, which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares or units may deviate from the Sub-fund’s indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter “OTC Derivative Contracts”) and/or efficient portfolio management techniques (hereafter “EPMT”). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund’s counterparty to an efficient portfolio management technique (hereinafter “EPMT”) defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Companyentities of the same group as the Management Company.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.
The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.
The market value of DFI is highly volatile and they may therefore be subject to large variations.
The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk of the Dist share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore cause the net asset value of this share class to decrease, even if the value of the Benchmark Index increases.

- Currency hedging risk

To hedge the EUR/JPY currency risk on the Daily Hedged EUR – Dist and Daily Hedged EUR – Acc shares, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the Benchmark Index currency and that of the relevant share class. Given the daily implementation of this hedging and its imperfect nature, the Sub-fund may be exposed to adverse market movements and costs that reduce its net asset value.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

Investors in this Sub-fund are seeking exposure to Japanese equity markets and more specifically to the financial performance of the largest Japanese stocks.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist (EUR) share class, Dist (JPY) share class and Daily Hedged to EUR – Acc share class: The Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.
Daily Hedged to EUR – Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

The Daily Hedged to EUR – Dist and Daily Hedged to EUR – Acc share classes employ a hedging mechanism that is rebalanced daily, to reduce the impact of changes in the exchange rates of the currency of each of the Benchmark Index's underlying securities and the currency in which the shares are denominated

SHARE CLASS CURRENCY

Currency	Dist share class	Dist share class	Daily Hedged to EUR – Dist share class	Daily Hedged to EUR – Acc share class
	EUR	JPY	EUR	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 bus. day	D-1 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:30 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. It is also possible that investors may have to pay more than the indicative net asset value when they purchase shares or units, and may receive less than the indicative net asset value when they sell their shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual

- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF”

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA’s rules trading in the Sub-fund’s shares is also subject to a ‘reservation threshold’ of 3% above or below the Sub-fund’s indicative net asset value or “iNAV” (see the “Indicative Net Asset Value” section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA’s reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund’s shares does not differ from the Sub-fund’s indicative Net Asset Value by more than 3% (see the section entitled “Indicative net asset value”).

Euronext Paris SA may suspend trading in the Sub-fund’s shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund’s shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index’s level
- Euronext Paris SA cannot obtain the Sub-fund’s net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund’s shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund’s Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund’s indicative net asset value (hereinafter “iNAV”). The iNAV is a measure of the intra-day value of the Sub-fund’s net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A “**Trading Day**” is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund’s iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value provided by Reuters and the EUR/USD exchange rate provided by Reuters (the Reuters exchange rate for conversion into EUR and the WM Reuters fixing rate) to convert the Benchmark Index level into EUR

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) or if the EUR/USD exchange rate is unavailable, and if the calculation of the iNAV proves impossible, trading in the Sub-fund's shares may be suspended.
Lyxor International Asset Management, the Sub-fund’s Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund’s iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG’s calculations to determine the Sub-fund’s iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange’s website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the “Term Sheets” section of Lyxor’s website at www.lyxoretf.com.

b) If the Sub-fund’s shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund
- direct and indirect operating fees/expenses of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.45% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The amount of income from these transactions	20% for the Management Company 15% for the Agent.

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds”. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The TOPIX® Gross Total Return index and the TOPIX® trademarks are subject to the intellectual property rights of the Tokyo Stock Exchange, Inc. ,which owns all rights in relation to the TOPIX® Gross Total Return index including the calculation, publication and use of the TOPIX® Gross Total Return index and in relation to the TOPIX® trademarks. The Tokyo Stock Exchange, Inc. shall reserve the rights to change the methods of calculation or publication, to cease the calculation or publication of the TOPIX® Gross Total Return index or to change the TOPIX® trademarks or cease the use thereof. The Tokyo Stock Exchange, Inc. makes no warranty or representation whatsoever, either with regard to the results to be obtained from the use of the TOPIX® Gross Total Return index and the TOPIX® trademarks or with regard to the value of the TOPIX® Gross Total Return index at a given date. The Tokyo Stock Exchange, Inc. gives no assurance regarding the Accuracy or completeness of the TOPIX Index Value and the data contained therein. Furthermore, the Tokyo Stock Exchange, Inc. shall not be liable for the miscalculation, incorrect publication, delayed or interrupted publication of the TOPIX Index Value. Products under TOPIX® licence do not receive any form of sponsorship, support or promotion from Tokyo Stock Exchange, Inc. . Tokyo Stock Exchange, Inc. is under no obligation to provide explanations on products under TOPIX® licence or investment advice either to purchasers TOPIX® licensed products or to the public. The Tokyo Stock Exchange, Inc. neither selects specific stocks or groups thereof nor takes into account any needs of the issuing company or any purchaser of the Products, for calculation of the TOPIX Value Index. Including but not limited to the foregoing, the Tokyo Stock Exchange, Inc. shall not be responsible for any damage resulting from the issue and sale of the Products.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.

- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in JPY.

SUB-FUND NO. 39: LYXOR CAC 40 (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0007052782
J-EUR share class: FR0011122233
Acc share class: FR0013380607

CLASSIFICATION

French equities

The Lyxor CAC 40 (DR) UCITS ETF sub-fund (the "**Sub-fund"**) is continuously at least 60% exposed to the French equities market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 6 June 2018 and will be established on 5 September 2019.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the CAC 40 GROSS TOTAL RETURN (with gross dividends reinvested) index (the "**Benchmark Index"**), denominated in euros, while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.05%.

BENCHMARK INDEX

The Benchmark Index is a free-float market capitalisation-weighted index that measures the performance of the 40 largest stocks listed on the Euronext Paris market.
The index constituents are selected for their large market capitalisation, sector representativeness and high trading volume.
The Benchmark Index is the main benchmark for the Paris stock market and its share prices are highly correlated with the overall market .

The Benchmark Index is a Gross Total Return index which means that the Benchmark Index's performance includes the gross dividends paid by its underlying shares.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.euronext.com/en.

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index publication

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.
The Benchmark Index is also calculated in real time every day that the Benchmark Index is published.
The closing price of the Benchmark Index is available on the Internet at www.ftse.com: https://www.euronext.com/

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Euronext, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The Benchmark Index is rebalanced quarterly.

The exact composition of the Benchmark Index and Euronext's rules for revising its composition are available at https://www.euronext.com/

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. STRATEGY EMPLOYED

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

The Sub-fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French monetary and financial code and in particular temporarily dispose of securities subject to the requirements explained below.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The Sub-fund is eligible for Equity Savings Plans (PEA). The Sub-fund will always comply with the asset constraints allowing it to be included in PEAs, namely the investing of more than 75% of its assets in shares of companies whose registered offices are in a European Union Member State, or in another State that is a party to the Agreement on the European Economic Area that has signed a tax treaty with France that contains an administrative assistance clause aimed at combating fraud and tax evasion.

The Sub-fund may be used as a vehicle for unit-linked life insurance policies.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

• Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

• The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

• Eligible markets:
☒ regulated
☒ organised
☒ over-the-counter

• Risks which the Sub-fund may seek to hedge or gain exposure to:
☒ equity
☐ interest rates
☐ currency
☐ credit

• Purpose (all transactions must be consistent with the investment objective)
☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

• Types of instruments used:
☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

• Strategy for using derivatives to achieve the investment objective:
☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25% of the Sub-fund's assets.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- The Sub-fund shall be entitled to all income from such temporary disposal of securities, net of any direct and indirect operating fees/expenses.
- These operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by the Management Company, the Agent (if applicable) and/or any other intermediaries that are involved in these transactions.
- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these fees/expenses are paid will be provided in the Sub-fund's annual report.
- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses which may be borne by the Agent and the Management Company. Since these direct and indirect operating fees/expenses do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating fees/expenses associated with these transactions.

When Société Générale is a counterparty to an efficient portfolio management transaction, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund for securities lending and repo transactions. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments that comprise the Benchmark Index selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Companyentities of the same group as the Management Company.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi): the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.
The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.
The market value of DFI is highly volatile and they may therefore be subject to large variations.
The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund's Acc and Dist shares are available to all investors.
J-EUR shares are available to all investors but are more specifically intended for institutional investors.
Investors in this Sub-fund are seeking exposure to the French equity market.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist and J-EUR share classes: The Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

SHARE CLASS CURRENCY

Currency	Dist share class	J-EUR share class	Acc share class
	EUR	EUR	EUR

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions

Subscription and redemption orders will be executed as explained in the “Cash and in-kind transactions” sub-section of the “PRIMARY MARKET TRANSACTIONS” Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of net asset value calculation
The net asset value will be calculated and published each Trading Day (as defined below), provided that at least one exchange on which the Sub-fund’s shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund’s net asset value is calculated using the Benchmark Index’s closing price.

The net asset value of a share class that is denominated in another currency than the Sub-fund’s accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund’s shares or units differs significantly from their indicative net asset value, or if trading in the fund’s shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund’s shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund’s shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor’s website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund’s shares.

B. SPECIFIC PROVISIONS

c) If the Sub-fund’s shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund’s shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF”

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA’s rules trading in the Sub-fund’s shares is also subject to a ‘reservation threshold’ of 1.5% above or below the Sub-fund’s indicative net asset value or “iNAV” (see the “Indicative Net Asset Value” section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA’s reservation threshold requirement (see the section entitled “Indicative Net Asset Value”) the Market Makers will ensure that the market price of the Sub-fund’s shares does not differ from the Sub-fund’s indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund’s shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund’s shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index’s level
- Euronext Paris SA cannot obtain the Sub-fund’s net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund’s shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
The share prices of the stocks included in the Benchmark Index used to calculate the level of the Benchmark Index, and therefore to evaluate the iNAV, are provided to Reuters by the stock exchanges on which the Benchmark Index constituents are traded.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

d) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund
- direct and indirect operating fees/expenses of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net asset value	0.25% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net asset value	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The amount of income from these transactions	20% for the Management Company 15% for the Agent.

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds”. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

LYXOR CAC 40 (DR) UCITS ETF is not, in any way whatsoever, sponsored, supported, promoted or marketed by Euronext or its subsidiaries (hereinafter "Euronext") (collectively referred to as the "Licensors").

The Licensors assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the CAC 40 GROSS TOTAL RETURN index (hereinafter “the index”) and/or the level of said Index at any given time or day, or of any other type. The Index is calculated by or in the name of Euronext. The Licensors disclaim all liability (whether due to negligence or any other reason) for any error that may adversely affect the Index with respect to anyone whomsoever and shall not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors’ financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the “Publication Date” section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.

- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 40: LYXOR EURO STOXX 50 (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Acc share class: FR0007054358
J-EUR share class: FR0011554260
K-EUR share class: FR0011554286
Daily Hedged to USD – Dist share class: FR0012399749
Daily Hedged to GBP – Dist share class: FR0012399756
Daily Hedged to CHF – Dist share class: FR0012399764
Daily Hedged to USD – Acc share class: FR0012399806
Daily Hedged to GBP – Acc share class: FR0012399772
Daily Hedged to CHF – Acc share class: FR0012399731

CLASSIFICATION

Eurozone country equities.

The Lyxor Euro Stoxx 50 (DR) UCITS ETF sub-fund (the "**Sub-fund**") continuously maintains at least 60% exposure to one or more of the equity markets of one or more eurozone countries, which may include France.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

This Sub-fund was approved by l'Autorité des Marchés Financiers on 6 June 2018 and was established on 20 September 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the EURO STOXX 50® NET RETURN index, (with net dividends reinvested) index (the "**Benchmark Index"**), denominated in euros and representative of 50 eurozone blue chips stocks, while minimising the tracking error between its performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.50%.

BENCHMARK INDEX

The Benchmark Index is a subset of the EURO STOXX index. It is composed of the eurozone's 50 largest stocks, which are selected on the basis of their market capitalisation, high liquidity and representativeness of an economic sector. The Benchmark Index seeks to weight these equities by country and by economic sector such that they reflect the structure of the eurozone's economy as faithfully as possible.

Benchmark Index publication

The Benchmark Index's composition is revised annually.

The Benchmark Index is a Net Return index which means that the Benchmark Index's performance includes the net dividends paid by its underlying shares.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://www.stoxx.com/indices

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Pursuant to the provisions of the European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, Stoxx Ltd, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision

The performance tracked is that of the Benchmark Index's closing price.

The complete methodology is available at www.stoxx.com/indices/

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representative of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by the Management Company, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

To ensure transparency on the use of the direct index replication method (i.e. full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies with head offices in a Member State of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

On an ancillary basis, the Sub-fund may engage in transactions involving derivative financial instruments (DFI) traded on a regulated market or over the counter.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

Pursuant to its investment strategy, the Sub-fund may use various efficient portfolio management techniques in compliance with Article R214-18 of the French monetary and financial code, including securities financing transactions.

- Maximum proportion of assets under management for which securities financing transactions may be entered into: up to 25%.
- Expected proportion of assets under management for which securities financing transactions may be entered into: 0% of the Sub-fund's assets.

For this purpose, the Management Company has appointed Société Générale as its intermediary (hereinafter the "**Agent**"). If transactions involving the temporary disposal of securities are engaged in, the Agent may be authorised to (i) lend securities, on the Sub-fund's behalf, under framework agreements, such as global master securities lending agreements (GMSLA) and/or any other internationally recognised framework agreement, and (ii) invest, on the Sub-fund's behalf, any liquid assets received as collateral for these securities lending transactions, subject to the restrictions specified in the securities lending agreement, the rules of this prospectus and the applicable regulations.

When Société Générale S.A. is appointed as an Agent, it is not authorised to act as a counterparty to securities lending transactions.

If securities are lent:

- The Sub-fund shall be entitled to all income from securities financing transactions, net of any direct and indirect operating fees/expenses.

- These operating fees/expenses, which are incurred to manage the portfolio more efficiently, will be those borne by the Management Company, the Agent (if applicable) and/or any other intermediaries that are involved in these transactions.

- The direct and indirect operating fees/expenses will be calculated as a percentage of the Sub-fund's gross income. Information on direct and indirect operating fees/expenses and on the entities to which these expenses are paid will be provided in the Sub-fund's annual report.

- Income from the lending of securities will be paid to the Sub-fund after deduction of any direct and indirect operating fees/expenses which may be borne by the Agent and the Management Company. Since these direct and indirect operating fees/expenses do not increase the Sub-fund's overall operating expenses they have been excluded from ongoing charges.

If necessary, the Sub-fund's annual report will provide the following information:

- the exposure resulting from the use of efficient portfolio management techniques/transactions
- the identity of the counterparty(ies) involved in these transactions
- the nature and amount of any collateral received to reduce the Sub-fund's counterparty risk, and;
- the income obtained from efficient portfolio management transactions during the relevant period and the direct and indirect operating fees/expenses associated with these transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund enters into securities financing transactions, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) Collateral must be immediately enforceable by The Sub-fund's Management Company without informing the counterparty and without its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:
- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Capital risk

The capital invested is not guaranteed. As a consequence, investor's capital is at risk. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be very difficult to implement and costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Companyentities of the same group as the Management Company.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.

The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.

The market value of DFI is highly volatile and they may therefore be subject to large variations.

The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved. Indeed, no asset or financial instrument allows for a continuous and automatic replication of the Benchmark Index, particularly if one or more of the following risks occurs:

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in the taxation of the Sub-fund’s underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund’s DFI counterparty may adversely affect the Sub-fund’s net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index,
iv)The index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund’s counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund’s net asset value, particularly if the Sub-fund’s treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency hedging risk of the Daily Hedged to USD – Acc and Dist share classes

To hedge the USD/EUR currency risk on the Daily Hedged to USD – Dist and Daily Hedged to USD – Acc share classes, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the Benchmark Index currency and the share class currency. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to USD – Dist and Daily Hedged to USD – Acc share classes may be exposed to adverse market movements and costs that reduce their net asset value.

- Currency hedging risk of the Daily Hedged to GBP – Acc and Dist share classes

To hedge the GBP/EUR currency risk on the Daily Hedged to GBP – Dist and Daily Hedged to GBP – Acc share classes, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the Benchmark Index currency and the share class currency. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to GBP – Dist and Daily Hedged to GBP – Acc share classes may be exposed to adverse market movements and costs that reduce their net asset value.

- Currency hedging risk of the Daily Hedged to CHF – Acc and Dist share classes

To hedge the CHF/EUR currency risk on the Daily Hedged to CHF – Dist and Daily Hedged to CHF – Acc share classes, the Sub-fund uses a hedging strategy that reduces the impact of a change in the exchange rate between the Benchmark Index currency and the share class currency. Given the daily implementation of this hedging and its imperfect nature, the Daily Hedged to CHF – Dist and Daily Hedged to CHF – Acc share classes may be exposed to adverse market movements and costs that reduce their net asset value.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.
The J-EUR and K-EUR share classes are intended for institutional investors, which must initially invest at least 100,000 euros.
K-EUR and J-EUR class shareholders must hold at least 100,000 euros worth of shares at each Net Asset Value date or redeem all of their K-EUR and/or J-EUR shares.

Investors in this Sub-fund are seeking exposure to eurozone equity markets.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc, K-EUR, J-EUR, Daily Hedged to USD – Dist, Daily Hedged to GBP – Dist and Daily Hedged to CHF – Dist share classes: The Board of Directors reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.
Acc share class, Daily Hedged to USD - Acc, Daily Hedged to GBP - Acc and Daily Hedged to CHF - Acc: All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

The Daily Hedged share classes employ a hedging mechanism that is rebalanced daily, to reduce the impact of changes in the exchange rates between the currency of each of the Benchmark Index's underlying securities and the share class currency.

SHARE CLASS CURRENCY

Currency	Acc share class	J-EUR share class	K-EUR share class	Daily Hedged to USD – Dist share class	Daily Hedged to GBP – Dist share class	Daily Hedged to CHF – Dist share class	Daily Hedged to USD – Acc share class	Daily Hedged to GBP – Acc share class	Daily Hedged to CHF – Acc share class
	EUR	EUR	EUR	USD	GBP	CHF	USD	GBP	CHF

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 business day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 5.00 pm[1]	Redemption orders are processed until 5.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption requests for shares in the Sub-fund will be processed by the Depositary from 10:00 am and 5:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros (for shares denominated in euros), for a minimum amount in USD that is equivalent to 100,000 EUR (for shares denominated in USD), for a minimum amount in CHF that is equivalent to 100,000 EUR (for shares denominated in CHF) and for a minimum amount in GBP that is equivalent to 100,000 EUR (for shares denominated in GBP).

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price denominated in EUR.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund is traded is open and that the orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price. The Sub-fund's net asset value is denominated in EUR.

The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the Accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's shares or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.50% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company will post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold (see the section entitled "Indicative net asset value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative NAV by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a permanent presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:

- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:

- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative Net Asset Value:</u>

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time the following Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages that specifically concern this share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) <u>If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following</u>

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. which include intermediary fees and expenses (brokerage, stock market taxes, etc.) and any account activity charges that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund
- direct and indirect operating fees/expenses of securities financing transactions

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Investment management and administrative fees that are external to the Management Company, including tax(1)	Net assets	0.20% per annum
Maximum indirect charges (management charges and fees)	Net assets	N/A
Account activity charge	Charge on each transaction	N/A
Incentive fee	Net assets	N/A
Direct and indirect operating fees/expenses of securities financing transactions	The amount of income from these transactions	20% for the Management Company 15% for the Agent.

(1) Includes all fees and expenses, except for transaction expenses, incentive fees and fees relating to investments in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds”. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 65% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no other relationship with the licence-holder than the licence that was granted for the EURO STOXX 50® NET RETURN index and the associated registered trademarks which may be used in conjunction with the Sub-fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the Sub-fund’s shares, which they also refrain from marketing or promoting
- make no investment recommendation whatsoever in respect of the Sub-fund or in respect of any other securities whatsoever.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the Sub-fund’s shares and make no decisions in relation to this
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the Sub-fund.
- have no obligation to take into consideration the needs of the Sub-fund or of its shareholders when determining, constructing or calculating the EURO STOXX 50® NET RETURN index.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France .
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.

This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated. .

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 41: LYXOR PEA OBLIGATIONS D’ÉTAT EURO UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN CODES

Acc share class: FR0013346681
Dist share class: FR0013346673

INCEPTION DATE

The Sub-fund was approved by the Autorité des Marchés Financiers on 7 August 2018.
It was established on 17 December 2018.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund’s objective is to replicate the performance, whether positive or negative, of the FTSE MTS Eurozone Government Bond IG (Mid Price) Index (Ex-CNO Etrix) (the “**Benchmark Index**”) denominated in euros (EUR), while minimising the tracking error between the Sub-fund’s performance and that of its Benchmark Index.

The expected ex-post tracking error under normal market conditions is 0.5%.

BENCHMARK INDEX

The Benchmark Index is a “Total Return” index (i.e. all coupons detached by the Benchmark Index constituents are reinvested in the Benchmark Index.

The Benchmark Index is composed of bonds issued by the governments of the eurozone countries, weighted by country and representing a full spectrum of maturities.

To be eligible for inclusion in the Benchmark Index, bonds must meet the following criteria:

(i) They must pay a fixed rate of interest on a principal amount that will be fully repaid upon maturity, be denominated in euros, be non-convertible and incorporate no options.
(ii) They must have been issued by a Eurozone Member State selected by FTSE MTS from the list of countries having been attributed an Investment Grade credit rating by at least two of the three credit rating agencies, Standard & Poor’s, Moody’s and Fitch.
(iii) They must be traded on the MTS platform.
(iv) The minimum bond issuance size is two billion euros.

The performance tracked is that of the Benchmark Index's closing price at 5:15 pm CET.

Benchmark Index publication
The Benchmark Index’s closing price is available on the Internet at http://www.ftserussell.com/.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

Benchmark Index composition and revision
The Benchmark Index’s composition is revalued and rebalanced monthly.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at http://www.ftserussell.com/.

The frequency of rebalancing does not affect the cost of implementing the investment strategy.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund’s assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The Sub-fund’s securities will be mainly global equities, in all economic sectors and listed in all markets, including small-cap exchanges.

The Sub-fund will at all times invest at least 75% of its assets in the equities of companies with head offices in a Member State of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans..

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of ‘balance sheet’ assets in the Sub-fund’s portfolio and the value of the swap contract concluded by the Sub-fund is available on the page dedicated to the Sub-fund accessible on Lyxor’s website at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

Up to 20% of the Sub-fund's assets may be exposed to debt issued by a given OECD country. This 20% limit can be increased to 35% for a single bond, when this is justified by exceptional market conditions and in particular when certain securities are largely dominant, or a debt issue is highly volatile, or a political and/or economic event has affected or may affect the estimated debt of an issuing country or its credit rating, or in any other event that is likely to affect the liquidity of a Benchmark Index security.

Notwithstanding the above, exposure to securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund is exposed to at least six issues of which none exceeds 30% of assets, provided that these securities are financial instruments issued or guaranteed by an OECD Member State, the local authorities of a European Union Member State or a country that is a member of the European Economic Area. The above-mentioned securities must be financial instruments issued or guaranteed by a Member State of the OECD, a local authority of a Member State of the European Union or of a country that is a party to the Agreement on the European Economic Area.

Sub-fund's targeted interest-rate sensitivity	Between 5 and 10
Currency of the securities to which the Sub-fund is exposed:	EUR: from 0% to 100% of net assets Other: from 0% to 100% of net assets.
Currency risk to which the Sub-fund is exposed:	10% maximum of net assets.
Geographic regions of the issuers of the securities to which the Sub-fund is exposed	Eurozone: 0% to 100% of net assets Emerging countries: 0% to 100% of net assets

The asset manager by delegation currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In compliance with the ratios indicated in the applicable regulations, the Sub-fund may invest in global equities in all economic sectors and listed on all exchanges including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria, in particular:
    - their inclusion in a major stock exchange index
    - liquidity (must exceed a minimum daily trading volume and market capitalisation)
    - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)

- diversification criteria, in particular regarding:
    - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R.214-21 of the French Monetary and Financial Code)
    - geographic
    - sector.

Investors may find more information on the above eligibility and diversification criteria on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The Sub-fund may invest in the shares of UCITS managed by the Management Company or by a company that is related to the Management Company. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the asset manager reserves the right to use other financial instruments, in compliance with regulations.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps may be entered into: 100% of assets under management.

- Expected proportion of assets under management for which total return swaps may be entered into: up to 100% of assets under management.

To optimise the Sub-fund's management and achieve its investment objective, the manager reserves the right to use derivative financial instruments, other than index-linked swaps, in compliance with regulations.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's portfolio or over the underlying assets of the derivative instruments.

When Société Générale is a counterparty to the aforementioned transactions involving derivative instruments, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Temporary purchases and disposals of securities

N/A. The manager shall not engage in any temporary purchases or sales of securities.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price.
(b) Collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied.
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance.
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) the shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- the nature of the collateral asset;
- the collateral's maturity (if applicable);
- the credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:

- (i) deposited with an authorised institution;
- (ii) invested in high-quality government bonds;
- (iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the Accrued interest at any time.
- (iv) invested in short-term money-market funds as defined in the guidelines for a common definition of European money-market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the Acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Interest rate risk

The price of a bond or other debt security is affected by changes in interest rates. The price of most debt securities increases when interest rates decline and decreases when interest rates rise. Bonds with relatively long maturities (which is the case of those in the Benchmark Index) are more sensitive to changes in interest rates and are therefore more volatile investments than debt securities with shorter maturities.

- Credit risk

The Sub-fund could be adversely affected by a lowering of the credit rating of one or more issuers of a bond in the Benchmark Index. This could mean a higher risk that such an issuer might default and could decrease the bond's value.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). The Sub-fund is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materializes it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

The price of the Sub-fund’s listed shares may deviate from the Sub-fund’s indicative net asset value. The liquidity of the Sub-fund’s shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index’s underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund’s indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Currency risk associated with listing exchanges

The Sub-fund may be listed on an exchange or multilateral trading facility in a currency that is not the currency of the Benchmark Index. Investors who purchase shares in the Sub-fund in a currency that is not that of the Benchmark index are exposed to currency risk. As a result, due to changes in exchange rates the value of an investment that is made in a currency other than that of the Benchmark Index may decrease even though the value of the Benchmark Index increases.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments:

In order to achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to replicate the performance of the Benchmark Index. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund’s net asset value.

- Risk due to a change in tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund’s underlying assets could affect the Sub-fund’s tax treatment. As a result, in case of a discrepancy between the estimated and effective tax treatment applied to the Sub-fund and/or to the Sub-fund's counterparty to the DFI, the net asset value of the Sub-fund may be affected.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund’s underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-und's shares. The calculation of the Sub-fund’s net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund’s net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk involving a Benchmark Index constituent

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument or transaction based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.
Investors in this Sub-fund are seeking exposure to the performance, whether positive or negative, of the investment grade eurozone bond segment.

The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are reinvested.

Dist share class: the Board of Directors reserves the right to accumulate and/or distribute all or part of income in one or more annual distributions. Net capital gains will be accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Board of Directors reserves the right to distribute all or part of the distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders must be placed for a whole number of shares.
Only a whole number of shares may be redeemed.

CURRENCY

Currency	Acc share class	Dist share class
	Euro	Euro

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 4.00 pm[1]	Redemption orders are processed until 4.00 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Orders to subscribe for or redeem shares in the Sub-fund will be processed by the Depositary until 4:00 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**") and will be executed at the net asset value of that Primary Market Day (hereinafter the "reference NAV"). Subscription/redemption requests submitted after 4:00pm (Paris time) on a Primary Market Day will be processed as requests received before 4:00pm (Paris time) on the following Primary Market Day. Orders for subscriptions / redemptions must be for a whole number of shares and represent at least EUR 100,000.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Delivery and settlement of subscriptions and redemptions will be made within French five business days after the subscription/redemption requests are received.

Registrar and transfer agent by delegation from the Management Company:
SOCIÉTÉ GÉNÉRALE - 32, rue du Champ de Tir - 44000 Nantes – France

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily provided that at least one of the exchanges where the Sub-fund is traded is open and that the orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.
The Sub-fund's net asset value is denominated in euros.

1. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be allowed, subject to the conditions set forth below, to redeem their shares on the primary market directly from the Sub-fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "*SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)*".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent

- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "*SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions*"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor. etc.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. <u>SPECIFIC PROVISIONS</u>

a) <u>If the Sub-fund's units are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules</u>

<u>Negotiability of shares and information about the financial institutions acting as Market Makers:</u>

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement (see the section entitled "Indicative Net Asset Value") the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative Net Asset Value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum global spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- The Market Maker's obligations will be suspended if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

<u>Indicative Net Asset Value</u>

Euronext Paris SA will publish the Sub-fund's indicative net asset value (hereinafter the "iNAV") during trading hours every Trading Day (as defined below) (hereinafter the "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with theoretical value calculated by Solactive AG.

The iNAV will be calculated each day that the net asset value is normally calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9:05 am to 5:35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's Management Company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on the exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com

b) If the Sub-fund's units are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per unit × number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees (brokerage, stock market taxes etc.) and any account activity charge that may be charged, generally by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- Incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (1)	Net asset value	0.40% per annum
Maximum indirect charges (management charges and fees)	Net asset value	N/A
Account activity charge	Charge on each transaction	N/A
Incentive fee	Net asset value	N/A

(1) Include all fees/expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "**U.S. Person**" is defined to be **(A)** a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or **(B)** someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or **(C)** a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund’s net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by FTSE TMX Global Debt Capital Markets Inc. FTSE TMX Global Debt Capital Markets Inc. cannot be held liable for the promotion or marketing of the Sub-fund. FTSE MTS and the FTSE MTS index names (FTSE MTS Index™) and FTSE MTS indices (FTSE MTS Indices™) are registered trademarks of FTSE TMX Global Debt Capital Markets Inc. The FTSE MTS indices are calculated by FTSE TMX Global Debt Capital Markets Inc. and are marketed and distributed by MTSNext, a subsidiary of FTSE TMX Global Debt Capital Markets Inc.
Neither FTSE TMX Global Debt Capital Markets Inc. nor MTSNext can be held responsible or liable for any loss or damages of any type whatsoever (including, in particular, investment losses) in connection, in whole or in part, with the Sub-fund or with the provision of the FTSE MTS Eurozone Government Bond IG (Mid Price) Index (Ex-CNO Etrix), sub-indices or registered trademarks.

ADDITIONAL INFORMATION

The Sub-fund’s shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders must be sent to the Depositary by the investor’s financial intermediary.

The Multi Units France prospectus fund, the Key Investor Information Document and the most recent annual reports will be sent to investors within eight business days upon written request to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
e-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com..

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) contains additional information on the list of regulatory documents and all the provisions relating to investor protection.

This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L.214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R.214-21 to R.214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R.214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R.214-22-I, which deals with index-tracking funds. Pursuant to Article R.214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

Notwithstanding the above, exposure to securities guaranteed or issued by a given issuer can account for up to 35% of assets and up to 100% if the Sub-fund is exposed to at least six issues of which none exceeds 30% of assets. The above-mentioned securities must be financial instruments issued or guaranteed by a Member State of the OECD, a local authority of a Member State of the European Union or of the Agreement on the European Economic Area.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the Sub-fund's overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund’s assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Temporary purchases and disposals of securities are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.

Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.

The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated..

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded in the initial cost of the transaction.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled " Calculation and Allocation of Distributable amounts "

E. ACCOUNTING CURRENCY

The Sub-fund’s accounts are kept in euros.

SUB-FUND NO. 42: LYXOR MSCI GREECE UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE

Dist share class: FR0010405431

NAME

Lyxor MSCI Greece UCITS ETF (the "**Sub-fund**").

CLASSIFICATION

Eurozone equities.

The Sub-fund will continuously maintain at least 60% exposure to one or more of the equity markets of one or more eurozone countries, and possibly to the French equity market.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE

The Sub-fund was approved by the l'Autorité des marchés financiers le 29/03/2019 and was established on 9 May 2019.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI Greece IMI + Coca-Cola 20-35 Net Total Return Index denominated in EUR (the "**Benchmark Index**"), while minimising the tracking error between the Sub-fund's performance and that of the Benchmark Index.

The expected tracking error, monitored ex-post under normal market conditions is 0.3%.

BENCHMARK INDEX

Description

The Benchmark Index is a "net dividends reinvested" index, which means that the Benchmark Index's performance includes the dividends paid by its underlying shares.

The Benchmark Index is an equity index weighted by market capitalisation and adjusted for free-float. It is calculated and published by the international index provider MSCI Inc.

It is composed of the equities of companies that are domiciled and/or listed in Greece and which MSCI Limited classifies as small-cap, mid-cap or large-cap on the basis of its criteria. The Benchmark Index is representative of the stock-market performance of companies that are domiciled and/or listed in Greece. It accounts for approximately 99% of the free-float adjusted market capitalisation of the universe of companies that are domiciled and/or listed in Greece.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index composition and revision

The Benchmark Index is revised quarterly.

The exact composition of the Benchmark Index and the rules for index composition revision are available on the Internet at www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The value of the Benchmark Index and the list of its constituents are available on MSCI's website at www.msci.com.

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is calculated in real time every stock exchange trading day.
The Benchmark Index is available through Reuters and Bloomberg.
The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

The administrator of the Benchmark Index is MSCI Limited.
Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in the Sub-fund's portfolio may include those that make up the Benchmark Index and other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website atwww.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund will at all times invest at least 75% of its assets in companies that have their head office in a Member State of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Sub-fund for French 'PEA' equity savings plans.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund's portfolio may include global equities across all economic sectors and listed on any exchange, including "small-cap" exchanges.

The aforementioned equities will be selected on the basis of the following:

- eligibility criteria and in particular:
  - their inclusion in a major stock exchange index or in the Benchmark Index
  - liquidity (must exceed a minimum daily trading volume and market capitalisation)
  - credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, and in particular with respect to:
  - the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
  - geography
  - sector

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com.

Investment in undertakings for collective investment in transferrable securities ("**UCITS**") that comply with the Directive is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the components of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

A counterparty to derivative financial instruments (the "Counterparty") will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments.

4. Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

N/A. The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(f) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(g) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(h) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(i) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(j) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:

- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:

- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:

(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. a TRS or an EPMT), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will mainly invest in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equities are more volatile than Fixed Income markets where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also adversely affect share subscription, conversion and redemptions.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares or units may deviate from the Sub-fund's indicative net asset value. The liquidity of the Sub-fund's shares on an exchange may be adversely affected by a suspension of or disruption in market operation, such as one of the following events:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to the risk that a counterparty with which the Sub-fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The Sub-fund is mainly exposed to counterparty risk resulting from the use of derivative financial instruments (DFI) traded over the counter with any counterparty. In compliance with UCITS regulations, exposure to counterparty risk cannot exceed 10% of the Sub-fund's total assets per counterparty.

- Collateral management risks

Operational risk
The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Emerging Market Risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, since there is no asset or financial instrument that enables the continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs:

- Risk of using derivative financial instruments

In order to achieve its investment objective, the Sub-fund may enter into over-the-counter derivative financial instruments ("DFI"), such as swaps, in order to achieve the performance of the Benchmark Index. These derivatives involve various risks, such as counterparty risk, hedging disruption, index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund’s underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. In such an event, a discrepancy between the Sub-fund's estimated taxation and the taxation that is actually applied to the Sub-fund (and/or to its DFI counterparty) may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund’s underlying assets, the Sub-fund’s net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund’s shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A ‘Benchmark Index event’ includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index’s underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index’s performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index.

- Low Benchmark Index diversification risk

Since the index to which investors are exposed represents a given region, sector and strategy it may provide less diversification of assets in comparison with a broader Benchmark Index that is exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than in more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Risk of investing mid-cap companies:

The Sub-fund is exposed to medium-capitalisation companies and more specifically to the equity securities of medium and intermediate size enterprises, which may increase market and liquidity risks. The prices of these securities therefore increase and decrease more sharply than those of large-cap stocks. The Sub-fund’s net asset value could behave similarly and therefore fall more sharply than that of a similar investment in large-capitalisation equities.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund’s investments. Additional information may be found in the “Sustainability Disclosures” section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.
Investors in this Sub-fund are seeking exposure to the performance of the Greek “equity” market, whether positive or negative.
The amount that can be reasonably invested in the Sub-fund depends on each investor’s personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

“U.S. Persons” (as defined below - see “COMMERCIAL INFORMATION”) are not allowed to invest in this Sub-fund.

CURRENCY

Euro

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

The Management Company reserves the right to accumulate and/or distribute all or part of distributable income in one or more annual distributions.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Management Company reserves the right to distribute distributable amounts in one or more annual distributions.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Only a whole number of shares may be redeemed.

SUBSCRIPTION AND REDEMPTION

1/ SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

Business day	Business day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 3.30 pm[1]	Redemption orders are processed until 3.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 3:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption orders submitted after 3:30 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 3:30 pm (Paris Time) on the following Primary Market Day.. Orders to subscribe for or redeem shares in the Sub-fund must be made for a whole number of shares and for a minimum amount of 100,000 euros.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Date and frequency of Net Asset Value calculation.
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.
The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2/ PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their units on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's shareholders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares.

B. SPECIFIC PROVISIONS

a) **IF THE SUB-FUND'S SHARES ARE LISTED ON EURONEXT PARIS, AS INDICATED IN THE "KEY INFORMATION" SECTION, INVESTORS SHOULD NOTE THE FOLLOWING RULES:**

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French Monetary and Financial Code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 1.5% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation thresholds (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 1.5%.

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 2% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

Indicative net asset value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.
For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9.05 am to 5.35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type units is also available in the "Term Sheets" section of the Lyxor's website at www.lyxoretf.com.

b) <u>IF THE SUB-FUND'S SHARES ARE LISTED ON AN EXCHANGE OTHER THAN EURONEXT PARIS (AS INDICATED IN THE "KEY INFORMATION" SECTION) INVESTORS SHOULD NOTE THE FOLLOWING</u>

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	**Base**	**Maximum charge**

Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 10% of the net asset value per share multiplied by the number of shares subscribed, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per share multiplied by the number of shares redeemed, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the Management Company.
For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Asset management fees and administrative fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) (1)	Net asset value	0.45% annual
Maximum indirect expenses (management expenses and fees)	Net asset value	N/A
Incentive fee	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "**U.S. Securities Act**") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "Investment Company Act"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A "U.S. Person" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, 91-93, boulevard Pasteur, 75015 Paris - France.
The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the exclusive property of MSCI and the MSCI indices are trademarks of MSCI or its subsidiaries and have been licensed, for certain needs, to Lyxor International Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any statement or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares of mutual funds in general or in shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND

MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:

LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com

Prospectus publication date: See the "Publication Date" section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/ .

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the Management Company's website and in the Sub-fund's annual report. The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http:

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com..

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.
This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I of the French monetary and financial code, which deals with index-tracking funds. Pursuant to Article R214-22 II of the French monetary and financial code, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Units and shares in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.

The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund’s base currency are the WM / Reuters fixing rates on the day the Sub-fund’s net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 43: Lyxor MSCI India UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE
Acc-(EUR) share class: FR0010361683
Acc-(USD) share class: FR0010375766

NAME

Lyxor MSCI India UCITS ETF (the "**Sub-fund**").

CLASSIFICATION
Global equities

The Sub-fund is continuously at least 60% exposed to at least one foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF type index tracker.

INCEPTION DATE
The Sub-fund was approved by the l'Autorité des marchés financiers le 29/03/2019 and was established on 9 May 2019.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI India Net Total Return Index (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between the Sub-fund's performance and that of its Benchmark Index.

The expected tracking error, monitored ex-post under normal market conditions is 0.1%.

BENCHMARK INDEX

The Benchmark Index is a "net dividends reinvested" index, which means that the Benchmark Index's performance includes the dividends paid by its underlying shares.

The Benchmark Index is an equity index weighted by market capitalisation and adjusted for free-float. It is calculated and published by the international index provider MSCI Inc.

The Benchmark Index is composed exclusively of mid-cap and large-cap Indian equity securities and features the basic characteristics of MSCI indices, which include free-float adjustment of the market capitalisation of the Benchmark Index constituents and sector classification in accordance with the Global Industry Classification Standard (GICS).

The Benchmark Index seeks to represent 85% of the free-float adjusted market capitalisation of each major industry group in the Indian market.

By targeting 85% representation for each industry group, the Benchmark Index accounts for 85% of the total market capitalisation of the Indian market, while also representing its economic diversity.

The MSCI methodology and calculation method assume a variable number of companies in the Benchmark Index.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at www.msci.com.

The performance tracked is that of the Benchmark Index's closing price.

Benchmark Index composition and revision

The Benchmark Index is revised quarterly.

The exact composition of the Benchmark Index and MSCI's rules for rebalancing the index are available on the Internet atwww.msci.com www.msci.com

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

Benchmark Index publication

The value of the Benchmark Index and the list of its constituents are available on MSCI's website at www.msci.com.

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is calculated in real time every stock exchange trading day.
The Benchmark Index is available through Reuters and Bloomberg.
The closing price of the Benchmark Index is available on MSCI's website at www.msci.com.

The administrator of the Benchmark Index is MSCI Limited.
Pursuant to European Parliament and Council Regulation (EU) 2016/1011 of 8 June 2016, the administrator of the Benchmark Index, has until 31 December 2023 to apply to the competent authority for the necessary certification or registration.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring the benchmark indices used that specifies the measures to be implemented if an index is substantially modified or is no longer provided.

INVESTMENT STRATEGY

1. Strategy employed

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will employ an indirect replication method, which means that it will enter into one or more OTC swap contracts enabling it to achieve its investment objective. These swap contracts will serve to exchange the value of the Sub-fund's assets, which will consist of cash and/or balance sheet assets (excluding any securities received as collateral), for the value of the securities that underlie the Benchmark Index.

The securities in the Sub-fund's portfolio may include those that make up the Benchmark Index, as well as other global equities across all economic sectors and listed on all exchanges including small-cap exchanges.

The basket of securities held may be adjusted daily such that its value will generally be at least 100% of the net assets. When necessary, this adjustment will be made to ensure that the counterparty risk arising from the aforementioned swap contract will be neutralised.

Information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio and the value of the swap contract concluded by the Sub-fund, is available on the page dedicated to the Sub-fund on Lyxor's website at www.lyxoretf.com The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

In managing its exposure, up to 20% of the Sub-fund's assets may be exposed to equities issued by the same entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions and in particular when certain securities are largely dominant and/or in the event of strong volatility that affects a financial instrument or securities linked to an economic sector represented in the Benchmark Index, particularly in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the Benchmark Index's financial instruments.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

In accordance with regulatory ratios, the Sub-fund may invest in global equities in all economic sectors and listed on any exchange, including small-cap exchanges.

The aforementioned equities will be selected on the basis of the following:

eligibility criteria and in particular:

- their inclusion in a major stock exchange index or in the Benchmark Index
- liquidity (must exceed a minimum daily trading volume and market capitalisation)
- credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)

diversification criteria, and in particular with respect to:

- the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French monetary and financial code)
- geographic
- sector

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Sub-fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds (AIF) or other investment funds that were formed under a foreign law. The Sub-fund may invest in the units or shares of UCITS managed by the Management Company or by a company that is related to the Management Company.

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other instruments within the regulatory limits.

3. Off-balance sheet assets (derivatives)

The Sub-fund will use derivative instruments and in particular OTC index-linked swaps that swap the value of the Sub-fund's assets (or the value of any other financial instrument or asset the Sub-fund may hold) for the value of the Benchmark Index (as described in sub-section 1 of this section).

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: 100%.
- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 100%.

To optimise the Sub-fund's management and achieve its investment objective, the fund manager reserves the right to use other financial instruments in compliance with regulations, such as derivative instruments other than index-linked swaps.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

4.Securities with embedded derivatives

N/A.

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing
The Sub-fund may temporarily borrow cash to a maximum of 10% of its net asset value, mainly in order to optimise its cash management.

7. Securities financing transactions

N/A. The Sub-fund shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with these swaps. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) All collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price
(b) This collateral must be valued at the mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount is applied
(c) The issuer of this collateral must be independent of the counterparty and must not be closely correlated with the counterparty's financial performance;
(d) The collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) The Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong;
such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) Cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) Bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) Shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) The shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below;
(v) Bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) Equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:
- The nature of the collateral asset;
- The collateral's maturity (if applicable);
- The credit rating of the collateral issuer (if applicable).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution;
(ii) invested in high-quality government bonds;
(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund is able to withdraw the total amount of its cash collateral and the accrued interest at any time;
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. a TRS or an EPMT), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Emerging Market Risk

The Sub-fund's exposure to emerging markets carries a greater risk of potential loss than an investment in traditional developed markets. Specifically, market operating and supervision rules for an emerging market may differ from standards applicable in developed markets. In particular, exposure to emerging markets can entail: increased market volatility, lower trading volumes, a risk of economic and/or political instability, an uncertain or unstable tax regime and/or regulatory environment, market closure risks, government restrictions on foreign investments, an interruption or limitation of convertibility or transferability of one of the currencies included in the Benchmark Index.

- Counterparty risk

The Sub-fund is exposed to the risk that a counterparty with which the Sub-fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The Sub-fund is in particular exposed to counterparty risk resulting from the use of derivative financial instruments (DFI) traded over the counter with any counterparty. In compliance with UCITS regulations, exposure to counterparty risk, cannot exceed 10% of the Sub-fund's total assets per counterparty.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Low Benchmark Index diversification risk

The Benchmark Index to which investors are exposed applies to a specific region, sector or strategy, which may provide a smaller diversification of assets when compared to a broader index exposed to several regions, sectors or strategies. Exposure to such a less-diversified index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Risk that the investment objective is only partially achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks:

- Risk of using derivative financial instruments

In order to secure the Benchmark Index returns and achieve its investment objective, the Sub-fund can enter into transactions involving over-the-counter derivative financial instruments (DFI), such as swaps. These derivatives involve various risks, such as counterparty risk, hedging disruption, index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect a DFI and may require an adjustment of the DFI transaction or even its premature termination, which could adversely affect the Sub-fund's net asset value.

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- Collateral management risks

Operational risk

The Sub-fund may be exposed to the risk of direct and indirect losses resulting from operational deficiencies in executing total return swaps (TRS) and/or securities financing transactions, as indicated in EU Regulation No. 2015/2365.
Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Sub-fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

Legal risk
The Sub-fund may be exposed to a legal risk arising from a total return swap and/or a securities financing transaction, as indicated in EU Regulation No. 2015/2365.

- Risk of a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in a tax regime that applies to the Sub-fund's underlying assets could affect the tax treatment of the Sub-fund. In such an event, a discrepancy between the Sub-fund's estimated taxation and the taxation that is actually applied to the Sub-fund (and/or to its DFI counterparty) may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the Benchmark Index calculation formula or method (other than a minor modification such as an adjustment to the Benchmark Index's underlying components or their respective weightings) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) The Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

A planned corporate action that has an impact on one of the Benchmark Index's underlying equities may be unexpectedly modified or terminated and thus have a quite different impact from that initially expected on the basis of the official announcement. Since the Sub-fund's valuation of this corporate action is based on this initial announcement, an unexpected change could adversely affect the Sub-fund's net asset value. The Sub-fund's performance may also deviate from that of the Benchmark Index if the Sub-fund's treatment of the corporate action differs from the treatment specified in the Benchmark Index's methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk since the securities that underlie the Benchmark Index may be denominated in a different currency than the Benchmark Index, or be derivatives of securities that are denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore adversely impact the Sub-fund's Benchmark Index.

- Currency risk of the Acc-(EUR) share class

This share class is exposed to currency risk since it is denominated in a different currency than the Benchmark Index. Changes in exchange rates may therefore cause the net asset value of this share class to decrease, even if the value of the Benchmark Index increases.

- Sustainability risks

The Fund does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the Fund's investments. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.
Investors in this Sub-fund are seeking exposure to the "Indian equity" market.
The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Sub-fund.

CURRENCY

Currency	Acc (EUR) share class:	Acc (USD) share class
	Euro	USD

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS
For the Acc (EUR) and Acc (USD) share classes: All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY
N/A.

SHARE CHARACTERISTICS
Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Only a whole number of shares may be redeemed.

SUBSCRIPTION AND REDEMPTION

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Orders will be executed as shown in the table below:

D-1 bus. day	D-1 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days maximum	D+5 bus. days maximum
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary, from 10:00 am to 6:30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day" ,and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 6:30 pm (Paris time) on a Primary Market Day will be processed as if received from 10:

Acc (EUR) share class:
pm (Paris time) on the following Primary Market Day. The Acc share class Orders for subscriptions / redemptions must be for a whole number of shares and represent at least EUR 100,000.

Acc (USD) share class:
Orders for subscriptions / redemptions must be for a whole number of shares and represent the USD equivalent at least EUR 100,000.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days after the subscription or redemption order is executed.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.
The Sub-fund's net asset value is calculated using the Benchmark Index's closing price.

2. PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed Sub-fund that are purchased on the secondary market cannot generally be directly sold back to that Sub-fund. Investors must therefore buy and sell their shares on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares and receive less than the indicative net asset value when selling shares.

If the stock market value of a listed fund's shares differs significantly from its indicative net asset value, or if trading in the fund's shares is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their shares on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund's shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund's share-holders.

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions"), redemptions made in the primary market in this case shall only be subject to a net redemption fee of 1% paid to the Sub-fund and which serves to cover its trading costs.

In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund's shares. B

B. SPECIFIC PROVISIONS

a) If the Sub-fund's shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and according to the applicable legal and regulatory provisions.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFS"

Pursuant to article D 214-22-1 of the French Monetary and Financial Code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA's rules trading in the Sub-fund's shares is also subject to a 'reservation threshold' of 3% above or below the Sub-fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA's reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund's shares does not differ from the Sub-fund's indicative net asset value by more than 3% (see the section entitled "Indicative net asset value").

Euronext Paris SA may suspend trading in the Sub-fund's shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index's level
- Euronext Paris SA cannot obtain the Sub-fund's net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund's shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 3% between the bid and offer price in the centralised order book
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
the Benchmark Index is no longer traded or calculated
if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9.05 am to 5.35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:
- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the share is listed. This information is also available on the Reuters or Bloomberg pages that specifically concern the share class. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris (as indicated in the "Key Information" section) investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section should familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary seek the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (CHARGED ONLY ON PRIMARY MARKET TRANSACTIONS)

The subscription and redemption fees shown below respectively increase the subscription price paid by the investor and decrease the redemption price received. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any fees that are not kept by the Sub-fund are paid to the Management Company, marketing agent or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 “PRIMARY MARKET TRANSACTIONS - Directed cash transactions”, represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Sub-fund, except for transaction expenses, which include intermediary fees and expenses (brokerage, stock market taxes etc.) and any account activity charge that may be charged, in general by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below) :

- Incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives;
- account activity charges, which are charged to the Sub-fund.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	Base	Maximum charge
Asset management fees and administrative fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net asset value	0.85% annual
Incentive fee	Net asset value	N/A
Account activity charge	Charged on each transaction	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "Investment Company Act"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.
A "U.S. Person" is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a “mutual fund” and must comply with the criteria that apply to “equity funds”. As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 94% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.
Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.
The net asset value of each of the Sub-fund’s share classes will be calculated and published each Trading Day.

IMPORTANT INFORMATION ABOUT THE BENCHMARK INDEX PROVIDER

The Sub-fund is in no way sponsored, endorsed, sold or promoted by MSCI Inc. ("MSCI"), nor by any MSCI subsidiary, nor by any of the entities involved in establishing the MSCI indices. The MSCI indices are the exclusive property of MSCI and the MSCI indices are trademarks of MSCI or its subsidiaries and have been licensed, for certain needs, to Lyxor International Asset Management. Neither MSCI, nor any subsidiary of MSCI, nor any of the entities involved in establishing or calculating the MSCI indices have made any representation or any warranty, either expressed or implied, to holders of shares in the Sub-fund or, more generally, to the general public, concerning the merits of trading in shares or units of investment funds in general or in the shares of this Sub-fund in particular, or concerning the ability of any MSCI index to replicate the performance of the global equities market. MSCI or its subsidiaries are the owners of certain names, registered trademarks and the MSCI indices, which are determined, constructed and calculated by MSCI without any consultation with Lyxor International Asset Management or the Sub-fund. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices are obliged to take into consideration the needs of Lyxor International Asset Management or holders of the sub-fund's shares when determining, constructing or calculating the MSCI indices. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices make any decision concerning the launch date, pricing, quantity of the Sub-fund's shares or the determination and calculation of the formula used to establish the Sub-fund's net asset value. Neither MSCI, nor any MSCI subsidiary, nor any of the entities involved in the production of the MSCI indices accept any responsibility for or obligations concerning the administration, management or marketing of the Sub-fund.

ALTHOUGH MSCI OBTAINS DATA INCORPORATED OR USED IN THE CALCULATION OF INDICES ORIGINATING FROM SOURCES THAT MSCI BELIEVES TO BE RELIABLE, NEITHER MSCI, NOR ANY OTHER PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDICES OR ANY INCORPORATED DATA. NEITHER MSCI NOR ANY PARTY INVOLVED IN THE CREATION OR CALCULATION OF THE MSCI INDICES MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE RESULTS THAT THE HOLDER OF A MSCI LICENSE, CUSTOMERS OF SAID LICENSEE, COUNTERPARTIES, SUB-FUND SHAREHOLDERS OR ANY OTHER PERSON OR ENTITY WILL ACHIEVE FROM THE USE OF THE INDICES OR ANY INCORPORATED DATA IN RELATION TO THE RIGHTS LICENSED OR FOR ANY OTHER PURPOSE. NEITHER MSCI NOR ANY OTHER PARTY MAKES ANY WARRANTIES, EXPRESSED OR IMPLIED, AND MSCI DISCLAIMS ANY WARRANTIES CONCERNING THE COMMERCIAL VALUE OR SUITABILITY FOR A SPECIFIC PURPOSE OF THE INDICES OR INCORPORATED DATA. SUBJECT TO THE FOREGOING, UNDER NO CIRCUMSTANCES SHALL MSCI OR ANY OTHER PARTY BE HELD LIABLE FOR ANY LOSS, BE IT DIRECT, INDIRECT OR OTHER (INCLUDING LOSS OF EARNINGS) EVEN IF IT IS AWARE OF THE POSSIBILITY OF SUCH A LOSS.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: See the "Publication Date" section.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the Management Company’s website and in the Sub-fund’s annual report. The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http:

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com..

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides more information on the regulatory documents and various provisions that concern investor protection.
This Prospectus shall be made available to investors prior to subscription.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I of the French monetary and financial code, which deals with index-tracking funds. Pursuant to Article R214-22 II of the French monetary and financial code, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.

- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund’s net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund’s net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.

The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund’s base currency are the WM Reuters fixing rates published on the day the Sub-fund’s net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES
Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES
Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY
For more information see the section entitled "Calculation and appropriation of Distributable amounts".

E. ACCOUNTING CURRENCY
The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 44: LYXOR MSCI NEW ENERGY ESG FILTERED (DR) UCITS ETF

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/EC

ISIN code
Dist share class: FR0010524777
Acc share class: FR0014002CG3

NAME

Lyxor MSCI New Energy ESG Filtered (DR) UCITS ETF (the "**Sub-fund**").

CLASSIFICATION

Global equities.

The Lyxor MSCI New Energy (DR) UCITS ETF sub-fund is continuously at least 60% exposed to a foreign equity market or to the equity markets of two or more countries, which may include the French market.

The Sub-fund is a UCITS ETF index-tracker.

INCEPTION DATE

The Sub-fund was approved by l'Autorité des Marchés Financiers (the French financial markets authority) on 3 July 2019 and will be established on 5 September 2019.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.

The Sub-fund's investment objective is to replicate the performance, whether positive or negative, of the MSCI ACWI IMI New Energy ESG Filtered Net Total Return (the "**Benchmark Index**"), denominated in US dollars (USD), while minimising the tracking error between its performance and that of its Benchmark Index.

The Benchmark Index aims to represent the performance of stocks whose activities are related to the development of new products and services in the sectors of alternative energy sources, energy efficiency, batteries and smart grid technologies.
It excludes companies that lag behind the theme universe in environmental, social and governance ("ESG") terms, including on the basis of an ESG rating.
The Sub-fund promotes environmental and/or social characteristics, pursuant to Article 8 of the SFDR Regulation.

The expected maximum ex-post tracking error under normal market conditions is 2%.

BENCHMARK INDEX

The Benchmark Index is the MSCI ACWI IMI New Energy ESG Filtered Net Total Return index (with net dividends reinvested, which means that its performance includes the net dividends paid by its underlying equities).

The Benchmark Index is an equity index that is calculated and published by the international index provider MSCI. It has the following characteristics:

a) An investment universe identical to that of the MSCI ACWI Investable Market Index (IMI) (the "**Parent Index**"), including large, mid and small cap stocks from of developed and emerging countries.
b) The Benchmark selects ("the Selected Universe") companies from the Parent Index whose analysis reveals a high exposure to activities such as :
   - alternative sources of energy
   - energy efficiency
   - batteries
   - smart grid technologies.

   This analysis is based on a "combined relevance score" (as defined by MSCI) which takes into account the revenues related to these activities.
   Sectoral filters apply.
c) The following is then applied to the companies of the Selected Universe:
   - An ESG filter that excludes:
     - Companies involved in controversial business activities, such as controversial weapons, conventional weapons, nuclear weapons, civilian firearms, tobacco, thermal coal, oil sands or which do not comply with the UN Global Compact.
     - Companies involved in serious ESG controversies, as determined by MSCI's ESG Controversies Score.
     - Companies without an MSCI ESG rating or controversy scoreare not included in the list.
   - A geographical filter

d) A "**Filtered Universe**" is then determined:
   - By following a best-in-class approach that focuses on the companies with the highest ESG ratings within their industry and excludes those in the bottom quartile, as determined by MSCI's industry-specific ESG rating.
     The MSCI ESG rating methodology uses a rules-based methodology designed to measure a company's resilience to the long-term material ESG risks of its sector. It is based on extra-financial ESG criteria that take into account a company's core business and the issues that are specific to its sector and which may generate represent risks or opportunities. The key ESG challenges are weighted in accordance with the impact and time horizon of the risk or opportunity. ESG criteria include, for example, water stress, carbon emissions, human resources management and corporate ethics.
     The Sub-Fund thus observes an ESG approach that is underpinned by a strong commitment to eliminate at least 20% of the issuers from the initial investment universe. The limits of the ESG approach are indicated in the Risk Profile section below.
     The ESG data covers over 90% of the eligible equities of the Benchmark Index. Non ESG rated companies are excluded from the index selection process;
   - By applying a liquidity and size filter
e) The index weights the companies in the Screened Universe using the MSCI Adaptive Capped Index methodology and then adjusts these weightings on the basis of the maximum exposure criteria.
f) Iterative downweighting ensures that the carbon intensity and weighted average board independence score of the index are lower and higher respectively than those of the MSCI ACWI IMI New Energy Select Index.

The environmental and/or social characteristics promoted by the Sub-fund are implemented by the MSCI ESG rating methodology, as described above.
For more information on the general and specific environmental, social and governance (ESG) objectives of the Fund, please refer to the Fund's Transparency Code available at https://www.lyxoretf.com/.

The Benchmark Index is a net total return index. A net total return index measures the performance of its components after including any dividends or other distributions and deducting any withholding tax.

The method used to construct the Benchmark Index and the rules that govern its re-weighting and updating can be found on MSCI's website at www.msci.com

BENCHMARK INDEX COMPOSITION AND REVISION

The Benchmark Index is reviewed semi-annually in May and November, when the Parent Index is reviewed. Modifications are made the end of May and November.

The Eligible Universe and the Selected Universe are updated during the semi-annual Benchmark Index reviews.
The exact composition of the Benchmark Index and MSCI's rules for its revision are available on MSCI's website at www.msci.com.
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The frequency of the aforementioned rebalancing does not affect the cost of implementing the Investment Strategy.

BENCHMARK INDEX PUBLICATION

The Benchmark Index is calculated daily using the official closing prices of the exchanges where the underlying stocks are listed.

The Benchmark Index is also calculated in real time every stock exchange trading day.
The Benchmark Index's closing price is available at https: //www.msci.com/.

Pursuant to the provisions of European Parliament and Council Regulation (EU) 2016/1011, of 8 June 2016, the administrator of the Benchmark Index, is registered in ESMA's register of benchmark index administrators.

Pursuant to European Parliament and Council Regulation 2016/1011 of 8 June 2016, the Management Company has a procedure for monitoring benchmark indices.

INVESTMENT STRATEGY

1. **Strategy employed**

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

To achieve the highest possible correlation with the performance of the Benchmark Index, the Sub-fund will be exposed to the latter via a direct replication method that requires the Sub-fund to invest mainly in the securities that underlie the Benchmark Index and/or in financial instruments that are representive of all or some of the securities that underlie the Benchmark Index.

The sub-fund may also invest in derivative financial instruments (DFI). The DFI in which the Sub-fund may invest include, but are not limited to, futures on indices, futures on all or some of the Benchmark Index components, and hedging swaps, mainly to minimise the Sub-fund's tracking error.

In accordance with its investment strategy, the Sub-fund may hold cash (e.g. when using futures). In this case, the fund manager may, in the best interest of unit-holders, deposit this cash with a credit institution or invest it in balance-sheet assets and/or off-balance-sheet assets, as described below.

In order to optimise the direct replication method that is used to track the Benchmark Index, the Sub-fund, represented by its delegated asset manager, may decide to employ a "sampling" technique that consists in investing in a selection of representative Benchmark Index constituents in order to reduce the costs of investing directly in all of the various Benchmark Index constituents. This sampling technique could cause the Sub-fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index.

The Sub-fund also reserves the right in invest in debt instruments or over-the-counter derivatives including swaps, futures and CFD, mainly for the purpose of gaining exposure to securities traded in emerging markets that are constituents of the Benchmark index and which could be particularly expensive and/or complex to invest in.

To ensure transparency on the use of the direct index replication method (i.e. either full replication of the Benchmark Index or sampling to limit replication costs) and on its consequences in terms of the assets in the Sub-fund's portfolio, information on the updated composition of the basket of 'balance sheet' assets in the Sub-fund's portfolio is available on the page dedicated to the Sub-fund accessible on Lyxor's website at www.lyxoretf.com.
The frequency of any updates and/or the date on which the aforementioned information is updated is also indicated on the same page of the aforementioned website.

The Sub-fund may invest up to 20% of its assets in the shares in the same issuing entity. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic sector represented in the Benchmark Index. This could be the case, for example, in the event of a public offering that substantially affects a Benchmark Index security or in the event of a significant drop in the liquidity of one or more of the financial instruments that underlie the Benchmark Index.

The manager currently intends to invest mainly in the assets indicated below.

2. Balance sheet assets (excluding embedded derivatives)

The Sub-fund will mainly be invested in the following types of securities:

- Equities

The Sub-fund will be invested mainly in the equities that make up the Benchmark Index.

- The shares or units of other CIU or investment funds

The Sub-fund may invest up to 10% of its assets in the shares or units of the following collective investment undertakings (CIU) or investment funds:

☒ French and foreign UCITS that comply with Directive 2009/65/EC. The Sub-fund may invest in shares or units of UCITS that are managed by the Management Company or by a company that is related to the Management Company.
☐ French AIF or AIF established in another Member State of the European Union (specify the eligible types of AIF)
☐ Other foreign investment funds (specify).

When the Sub-fund receives collateral in the form of securities, subject to the terms of section 8 below, it acquires full title to these securities and they are therefore included among the balance sheet assets to which it has full title.

3. Off-balance sheet assets (derivatives)

The Sub-fund may invest in the following DFI:

• Eligible markets:
☒ regulated
☒ organised
☒ over-the-counter

• Risks which the Sub-fund may seek to hedge or gain exposure to:
☒ equity
☐ interest rates
☐ currency
☐ credit

• Purpose (all transactions must be consistent with the investment objective)
☒ hedging
☒ exposure
☐ arbitrage
☐ other type (please specify)

• Types of instruments used:
☒ futures : on equities and indices
☐ options: on equities and indices
☐ total return swaps (TRS): on equities and indices
☒ forward exchange contracts
☐ credit derivatives
☐ other type (please specify)

• Strategy for using derivatives to achieve the investment objective:
☒ overall hedging of the portfolio, or of certain risks, securities, etc. – up to 100% of net assets
☒ to achieve synthetic exposure to assets or risks (up to 100% of assets)
☐ to increase market exposure and adjust maximum authorised and targeted leverage
☐ other strategy (specify).

Counterparties to OTC derivatives traded by the Sub-fund will be selected in accordance with the Management Company's best-executino policies (including the "Order-executiion by asset type" table referred to in the Appendix). The aforementioned policy is available at https//www.lyxor.com/politique-de-meilleure-execution-liam-janvier-2020-fr.

- Maximum proportion of assets under management for which total return swaps (TRS) may be entered into: up to 10%.

- Expected proportion of assets under management for which total return swaps (TRS) may be entered into: up to 0%.

In the event of the default of a counterparty to a total return swap (TRS) or of the premature termination of a TRS, the Sub-fund may be exposed to the performance of its balance sheet assets until it enters into a new TRS with another counterparty. In such an event, the Sub-fund could suffer losses and/or may have to bear fees/expenses that could adversely affect its capacity to achieve its investment objective. When the Sub-fund enters into two or more TRS with one or more counterparties, the aforementioned risks apply to the portion of assets that are committed under the swap that is prematurely terminated and/or to which the counterparty has defaulted.

Counterparties to derivative financial instruments will have no discretion over the composition of the Sub-fund's investment portfolio, nor over the underlying assets of these derivative instruments, in accordance with regulatory limits and requirements.

When Crédit Agricole is a counterparty to DFI, conflict-of-interests situations may arise between the Management Company and Crédit Agricole. These situations will be dealt with in accordance with the Management Company's conflicts-of-interests policy.

4. Securities with embedded derivatives

- Risks that the fund manager seeks to mitigate:

☒ Equity
☐ Interest rate
☐ Currency
☐ Credit
☐ Other type (specify)

- Purpose (all transactions must be consistent with the investment objective)

☐ Hedging
☒ Exposure

☐ Arbitrage
☒ Other type (specify)

- Types of instruments used: EMTN.

- Strategies involving the use of embedded derivatives to achieve the investment objective: derivatives will be used on an ancillary basis (up to a maximum of 10% of net assets).

5. Cash deposits

In order to optimise its cash management, the Sub-fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary.

6. Cash borrowing

The Sub-fund may temporarily borrow up to 10% of its net assets.

7. Securities financing transactions

The manager shall not engage in any securities financing transactions.

8. Collateral

Whenever the investment strategy exposes the Sub-fund to counterparty risk, and in particular when the Sub-fund uses over-the-counter swaps, the Sub-fund may accept eligible securities as collateral to reduce the counterparty risk associated with swaps and securities financing transactions. The portfolio of collateral received may be adjusted daily to ensure that its value is at least sufficient to cover the Sub-fund's counterparty risk in most cases. The purpose of this adjustment is to neutralise the Sub-fund's counterparty risk.

The Sub-fund will have full title to all collateral received, which will be deposited in the Sub-fund's account with the depositary. This collateral will therefore be included in the Sub-fund's assets. If a counterparty defaults on an obligation, the Sub-fund may dispose of the assets received from the counterparty in respect of the secured transaction to pay off the counterparty's debt to the Sub-fund.

All collateral the Sub-fund receives for this purpose must comply with the applicable laws and regulations, with respect in particular to the liquidity and valuation of the collateral, the credit-worthiness of securities issuers, risk exposure correlation and the risks of collateral management and enforceability. The collateral received must in particular meet the following criteria.

(a) collateral must be of high quality, be highly liquid and tradable on a regulated market or on a multilateral trading facility, with transparent pricing to enable the collateral to be rapidly sold near its estimated price.
(b) collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied.
(c) collateral must be issued by an entity that is independent from the counterparty and must not be highly correlated with the counterparty's financial performance.
(d) the collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer not exceeding 20% of the Sub-fund's net asset value.
(e) the Sub-fund's Management Company must be able to enforce this collateral in full and at any time, without having to consult with the counterparty or obtain its approval.

Notwithstanding the condition specified in (d) above, the Sub-fund may accept a basket of securities collateral that increases its exposure to a single issuer to more than 20% of its net asset value provided that:
- such securities collateral is issued by (i) a Member State, (ii) one or more of a Member State's local authorities, (iii) a country that is not a Member State (iv) a public international organisation to which one or more Member States belong; and;
- such securities collateral consists of at least six different issues of securities of which no single issue exceeds 30% of the Sub-fund's assets.

Subject to the above conditions, the Sub-fund may take collateral in the following forms:

(i) cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments;
(ii) bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with;
(iii) shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;
(iv) shares or units of UCITS that invest mainly in the bonds and/or equities indicated in (v) and (vi) below
(v) bonds issued or guaranteed by first-class issuers offering sufficient liquidity;
(vi) equities admitted for trading or traded on a regulated exchange of an EU member country, on a stock exchange of an OECD member country or on a stock exchange of another country provided that conditions (a) to (e) above are fully complied with and that these equities are components of a major index.

Collateral discount policy

The Sub-fund's management company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:
- the nature of the collateral asset
- the maturity of the asset provided as collateral (if relevant)
- the credit rating of the issuer of the asset provided as collateral (if relevant).

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:
(i) deposited with an authorised institution
(ii) invested in high-quality government bonds

(iii) used for reverse repurchase transactions, provided that these are entered into with credit institutions that are subject to prudential supervision and that the fund may recover the full cash amount at any time with accrued interest
(iv) invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

If the counterparty defaults on a securities financing transaction (i.e. an over-the-counter swap of securities and/or a repurchase agreement), the Sub-fund may be forced to sell the collateral received for this transaction under unfavourable market conditions and suffer a loss. If the Sub-fund is allowed to reinvest the cash collateral it has received, a loss could be suffered if the value of the securities purchased using this cash collateral declines.

COUNTERPARTY SELECTION POLICY

The Management Company selects its financial intermediaries and counterparties in accordance with a strict policy, particularly when the intermediary may enter into financial contracts (DFI and securities financing transactions) on the Sub-fund's behalf. Counterparties to financial contracts and financial intermediaries are rigorously selected among well-known and reputable counterparties and intermediaries on the basis of various criteria.

The Risk Management function analyses the credit quality of these counterparties and also takes the following types of criteria into consideration when determining the initial universe of authorised counterparties:
- qualitative criteria, based on Standard and Poors' LT credit rating
- quantitative criteria, based on the LT CDS spread (e.g. absolute criteria, volatility and benchmark group comparison)

All subsequent counterparties must be validated by the Counterparties Committee, which is composed of the AM and Middle-Office managers, the CICO and the head of the Risk Management function. When a counterparty no longer meets any given criterion, the Counterparty Committee will meet to decide on the measures to be taken.

In addition to the above, the Management Company observes its best execution policy. For more information about this policy and on the relative importance of the execution criteria for each asset class, see Regulatory Information section of our website at www.lyxor.com.

RISK PROFILE

The Sub-fund will invest mainly in the financial instruments selected by the Management Company. These instruments are subject to market trends and contingencies.

Investors in the Sub-fund will mainly be exposed to the following risks:

- Equity risk

The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure or in the economic conditions of the market in which the security is traded. Equity markets are more volatile than fixed income markets, where under stable macroeconomic conditions income over a given period of time can be estimated with reasonable accuracy.

- Low Benchmark Index diversification risk

The Benchmark Index to which investors are exposed covers a specific region, sector or investment strategy and therefore does not enable assets to be as broadly diversified as those of an index that is exposed to several regions, sectors or investment strategies. Exposure to such a less-diversified Benchmark Index may result in higher volatility than more diversified markets. Nevertheless, diversification rules of the UCITS Directive still apply to the Sub-fund's underlying assets at all times.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly in the event that the Benchmark Index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Sub-fund's liquidity and/or value may be adversely affected if, when the Sub-fund or a counterparty to a derivative financial instrument (DFI) is rebalancing its exposure, the underlying financial markets are restricted, closed, or subject to large bid/offer spreads. An inability, due to low trading volumes, to execute trades associated with the replication of the Benchmark Index may also adversely affect share subscription, conversion and redemptions.

- Benchmark Index tracking risk

Replicating the performance of the Benchmark Index by investing in all of its constituents may prove to be extremely difficult or costly. The Sub-fund manager may therefore use various optimisation techniques, such as 'sampling', which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Sub-fund to perform differently from the Benchmark Index.

- Liquidity risk (secondary market)

The price of the Sub-fund's listed shares may deviate from the Sub-fund's indicative net asset value. The liquidity of shares or units traded on a given exchange may be adversely affected by a suspension in trading for various reasons, for example:
i) the calculation of the Benchmark Index is suspended or stopped
ii) trading in the market(s) in the Benchmark Index's underlying assets is suspended
iii) an exchange cannot obtain or calculate the Sub-fund's indicative net asset value
iv) a market maker fails to comply with an exchange's rules
v) an exchange's IT, electronic or other system fails.

- Counterparty risk

The Sub-fund is exposed to counterparty risk in particular, as a result of its use of over-the-counter derivative contracts (hereafter "OTC Derivative Contracts") and/or efficient portfolio management techniques (hereafter "EPMT"). It is exposed to the risk that a counterparty with which it has entered into an OTC Derivative Contract and/or an EPMT may go bankrupt or default on a settlement or other obligation. If a counterparty defaults, the OTC Derivative Contract and/or the EPMT may be terminated and the Sub-fund may, if necessary, enter into another OTC Derivative and/or EPMT with another counterparty, at the market conditions at the time of this default. If this risk materialises it could result in a loss and have an impact on the Sub-fund's ability to achieve its investment objective. In compliance with the regulations that apply to UCITS funds, exposure to counterparty risk may not exceed 10% of the Sub-fund's total assets per counterparty.

- Risk of using efficient portfolio management techniques

If the Sub-fund's counterparty to an efficient portfolio management technique (hereinafter "EPMT") defaults, this may expose the Sub-fund to the risk that the value of the collateral it has received is less than the value of the assets the Sub-fund transferred to the counterparty to the EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavourable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that EPMT transactions may be entered into with same group as that of the Management Companyentities of the same group as that of the Management Company.

- Collateral management risks

    - Operational Risk

The Sub-fund could be exposed to the operational risk of processing deficiencies or errors on the part of the various parties involved in managing the collateral for securities financing transactions and/or total return swaps (TRS). This risk arises only when managing collateral for securities financing transactions and/or total return swaps (TRS), as indicated in EU Regulation 2015/2365.

- Legal risk

The Sub-fund may be exposed to a legal risk arising from securities financing transactions as indicated in EU Regulation No. 2015/2365.

- Risk that the investment objective may not be fully achieved

There is no guarantee that the investment objective will be achieved, as no asset or financial instrument can ensure that the Benchmark Index will be automatically and continuously replicated, particularly in the event of one or more of the following risks.

- Risk of using derivative financial instruments

The Sub-fund may invest in Derivative Financial Instruments ("DFI") traded over the counter or listed on an exchange, and in particular in futures and/or swaps for hedging purposes. Ces IFT peuvent impliquer une série de risques, vus au niveau du contrat et notamment (mais non exclusivement) les suivants : These DFI involve various risks, such as counterparty risk, hedging disruption risk, Benchmark Index disruption risk, taxation risk, regulatory risk and liquidity risk. These risks may affect a derivative instrument directly and may result in a modification or even the premature termination of the DFI contract, which could adversely affect the Sub-fund's net asset value.
The risk of investing in DFI may be relatively high. Since the amount of money required to establish a position in a DFI may much less than the exposure thus obtained, each transaction involves "leverage". A relatively small market movement may therefore have a very large potential positive or negative impact on the Sub-fund.
The market value of DFI is highly volatile and they may therefore be subject to large variations.
The Sub-fund may invest in DFI traded over the counter. DFI traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these DFI may therefore be more volatile.

- Risk due to a change in the tax regime

A change in the tax regime of a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed could adversely affect the taxation of investors. In such an event, the Sub-fund manager shall not be liable to any investor with respect to any payment that may have to be made to a competent tax authority.

- Risk of a change in the taxation of the Sub-fund's underlying assets

A change in the taxation of the Sub-fund's underlying assets could adversely affect the taxation of the Sub-fund. In such an event a discrepancy between the estimated taxation and the actual taxation of the Sub-fund and/or of the Sub-fund's DFI counterparty may adversely affect the Sub-fund's net asset value.

- Regulatory risk affecting the Sub-fund

In the event of a change in the regulatory regime in a jurisdiction where the Sub-fund is domiciled, authorised for sale or listed, the subscription, conversion or redemption of shares or units may be adversely affected.

- Regulatory risk affecting the Sub-fund's underlying assets

In the event of a change in the regulations that govern the Sub-fund's underlying assets, the Sub-fund's net asset value and the subscription, conversion or redemption of shares or units may be adversely affected.

- Benchmark Index disruption risk

If an event adversely affects the Benchmark Index, the Sub-fund manager may be required, as provided for by law, to suspend the subscription and redemption of the Sub-fund's shares or units. The calculation of the Sub-fund's net asset value could also be adversely affected.
If the disruption of the Benchmark Index persists, the Sub-fund manager will determine an appropriate course of action, which could decrease the Sub-fund's net asset value.
A 'Benchmark Index event' includes but is not limited to the following situations:
i) the Benchmark Index is deemed to be inaccurate or does not reflect actual market developments
ii) the Benchmark Index is permanently cancelled by the index provider
iii) the index provider is unable to indicate the level or value of the Benchmark Index
iv) the index provider makes a material change in the formula for or the method of calculating the Benchmark Index (other than a minor modification such as an adjustment to the Benchmark Index's underlying assets or the respective weightings among its components) which the Sub-fund cannot effectively replicate at a reasonable cost
v) a Benchmark Index component becomes illiquid because it is no longer traded on a regulated market or because its trading over-the-counter (e.g. bonds) is disrupted
vi) the Benchmark Index components are exposed to higher transaction costs for execution or settlement/delivery, or to specific tax constraints and these costs are not reflected in the Benchmark Index's performance.

- Corporate action risk

An unforeseen change, by the issuer of a security that is a component of the Benchmark Index, in a planned corporate action that is in contradiction with a previous official announcement on which the Sub-fund based its valuation of the corporate action (and/or on which the Sub-fund's counterparty to a derivative financial instrument based its valuation of the corporate action) can adversely affect the Sub-fund's net asset value, particularly if the Sub-fund's treatment of the corporate event differs from that of the Benchmark Index methodology.

- Currency risk associated with the Benchmark index

The Sub-fund is exposed to currency risk, as the underlying securities composing the Benchmark Index may be denominated in a currency different from the Benchmark Index, or be derived from securities denominated in a currency different to that of the Benchmark Index. Changes in exchange rates may therefore adversely affect the Sub-fund's Benchmark Index.

- Sustainability risks

In managing sustainability risks, the Management Company relies on the Benchmark Index administrator's methdology, by which sustainability risks are integrated through the investment in the shares of companies that obtain a significant share of their revenue from activities that are considered to promote the energy transition. This integration of these risks has a direct impact on the Benchmark Index's investment universe. However, there is no absolute assurance that all sustainability risks will be eliminated, and the occurence of such risks may have an adverse impact on the value of the Benchmark Index's underlying assets. More information on the Benchmark Index methodology can be found on the webite at https://www.euronext.com.//www.sgindex.com. Additional information may be found in the "Sustainability Disclosures" section of the Prospectus.

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- ESG methodology risk

Benchmark indices that include ESG criteria generally use a best-in-class approach or a rating-improvement approach relative to the initial investment universe. Given this initial investment universe, it is possible that issuers with low ESG ratings may be included in the index, while still meeting the criteria of the index methodology approaches.

- Controversy market risk

Companies which have met a benchmark index's selection criteria may suddenly and unexpectedly be affected by a serious controversy that could adversely affect the Sub-fund's net asset value. When these securities are components of the benchmark index, they are likely to be held until the next index rebalancing.

- ESG score calculation risk

Most ESG scores and ratings are defined in relative terms, by comparing an issuer to a peer group. Therefore, issuers perceived by the market as having poor ESG practices could potentially be rated well if the other issuers in its peer group have even poorer ESG practices. ESG scores and ratings are calculated by an external provider which uses its own data, models and estimates and various sources of information that may vary with each issuer. The analysis is largely based on qualitative and quantitative data that are provided by the companies themselves and is therefore dependent on the quality of this information. Although constantly improving, corporate ESG reporting is still patchy and heterogeneous. The reliability, quality and accuracy of ESG data can sometimes limit the scope of ESG-based investment.
Risk of the sustainable nature of the investment
The Benchmark Index methodology does not guarantee the sustainable nature of the investment made, but simply selects the equities of companies that obtain over 40% of their revenue in one or more of the three business sectors mentioned in the "Benchmark Index" section below, and which comprise activities that are considered to promote the ecological transition.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is available to all investors.
Investors subscribing to this sub-fund are seeking exposure to the equity markets of companies carrying out, for their main source of revenue, activities concerning the renewable energy sector.

The amount that can be reasonably invested in the Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, their cash requirements currently and for the next five years, and their willingness to take on risk or their preference for more prudent investment. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.
All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.
The recommended minimum investment period is at least five years.

"U.S. Persons" (as defined below - see "COMMERCIAL INFORMATION") are not allowed to invest in this Fund.

SHARE CLASS CURRENCY

	Dist share class	Acc share class
Currency	EUR	EUR

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist share class: If a distribution is decided, the Management Company reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

Acc share class: All distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If a distribution is decided, the Management Company reserves the right to distribute distributable amounts in one or more distributions annual.

SHARE CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of shares.
Only a whole number of shares may be redeemed.

SUBSCRIPTION AND REDEMPTION

1. **SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET**

Subscription and redemption orders are executed as shown in the table below:

D-1 bus. day	D-1 bus. day	D: day that the NAV is established	D+1 bus. day	D+5 bus. days	D+5 bus. days
Subscription orders are processed until 6.30 pm[1]	Redemption orders are processed until 6.30 pm[1]	The order must be executed no later than day D	The net asset value is published	Subscriptions are settled	Redemptions are settled

1) Unless another cut-off time is agreed with your financial institution.

Subscription/redemption orders for shares in the Sub-fund will be processed by the Depositary from 9:00 am to 6.30 pm (Paris time), every day that the Sub-fund's net asset value is to be published, provided that prices can be quoted for a significant proportion of the Benchmark Index components (hereinafter a "Primary Market Day") and will be executed at the net asset value on the following Primary Market Day, hereinafter the "reference NAV". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 9:00 am to 6:00 pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem shares in the Sub-fund must be for a whole number of shares and for a minimum amount of 100,000 euros, for the Acc share class.

Subscriptions and redemptions
Subscription and redemption orders will be executed as explained in the "Cash and in-kind transactions" sub-section of the "PRIMARY MARKET TRANSACTIONS" Section 4 here-above, and will be executed at the reference NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days after the date the NAV is established.

Date and frequency of net asset value calculation
The net asset value will be calculated and published daily, provided that at least one exchange on which the Sub-fund's shares are listed is open and that orders placed in the primary and secondary markets can be funded.

The Sub-fund’s net asset value is calculated using the Benchmark Index’s closing price denominated in euros.
The Sub-fund’s net asset value is denominated in EUR
The net asset value of a share class that is denominated in another currency than the Sub-fund's accounting currency (if applicable) is calculated using the exchange rate between the accounting currency and the currency of the share class, at the applicable WM Reuters rate on the date the reference NAV is calculated.

2. / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

For any purchase or sale of shares in the Sub-fund executed directly on an exchange on which the Sub-fund is admitted or will be admitted for continuous trading, no minimum purchase or sale amount is required other than that which may be required by the relevant exchange(s).

Shares in a listed sub-fund that are purchased on the secondary market cannot generally be directly sold back to that sub-fund. Investors must therefore buy and sell their shares or units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, there is a possibility that investors may pay more than the indicative net asset value when buying shares or units and receive less than the indicative net asset value when selling shares or units.
If the stock market value of a listed fund's shares or units differs significantly from their indicative net asset value, or if trading in the fund's share or units is suspended, investors may be authorised, subject to the conditions set forth below, to redeem their units on the primary market directly from the fund, without being subject to the minimum redemption amount requirement set forth herein in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)".

The Management Company shall decide whether to allow such primary market redemptions and for how long, on the basis of the following criteria for assessing the significance of a market disruption:

- The suspension or strong disturbance of secondary trading on a given exchange is relatively frequent
- The link between the market disruption and secondary market operators (such as the default of one or more of the Market Makers of a given exchange, or a breakdown or malfunction of an exchange's IT or operating systems), excluding a disruption caused by a source external to the secondary exchange on which the Sub-fund’s shares are traded, such as an event that affects the liquidity and valuation of all or some of the Benchmark Index's components
- Any other objective circumstance that could adversely affect the fair treatment and/or the interests of the Sub-fund’s shareholders.

In this case, the subscription and redemption of units will be subject to the provisions on the fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)”, which serve to cover the Sub-fund’s transaction costs. In such exceptional cases when redemption in the primary market is allowed, the Management Company shall post on Lyxor's website at www.lyxor.etf.com the procedure that investors must observe to redeem their shares or units in the primary market. The Management Company shall also make this procedure available to the market undertaking that handles trading in the Sub-fund’s shares. B

B. SPECIFIC PROVISIONS

a) If the Sub-fund’s shares are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules

Negotiability of shares and information about the financial institutions acting as Market Makers:

The shares are freely negotiable on the Euronext Paris regulated market under the following conditions and pursuant to the applicable laws and regulations.

The Sub-fund's shares will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:
- Instruction No. 4-01 “ Universal Trading Platform Manual”
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual and
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETF”.

Pursuant to article D 214-22-1 of the French monetary and financial code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under Euronext Paris SA’s rules trading in the Sub-fund’s shares is also subject to a ‘reservation threshold’ of 3% above or below the Sub-fund’s indicative net asset value or “iNAV” (see the “Indicative Net Asset Value” section), as published by Euronext Paris SA and updated on an estimated basis during trading in accordance with the change in the Benchmark Index.

To comply with Euronext Paris SA’s reservation threshold requirement the Market Makers will ensure that the market price of the Sub-fund’s shares does not differ from the Sub-fund’s indicative Net Asset Value by more than 3% (see the section entitled “Indicative net asset value”).

Euronext Paris SA may suspend trading in the Sub-fund’s shares pursuant to the terms of its operating rules, if the aforementioned reservation threshold limit is exceeded.

Euronext Paris SA will also suspend trading in the Sub-fund's shares in the following cases:
- the Benchmark Index is no longer traded or calculated
- Euronext Paris SA cannot obtain the Benchmark Index’s level
- Euronext Paris SA cannot obtain the Sub-fund’s net asset value

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Sub-fund’s shares as soon as they are admitted to trading on the Euronext Paris exchange.
In particular, the Market Makers undertake to carry out market-making operations by maintaining a significant presence in the market, which initially entails the setting of a bid/ask spread.
More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Sub-fund maintains:
- a maximum overall spread of 3% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Sub-fund's Market Makers will be suspended in the following cases:
- the Benchmark Index is no longer traded or calculated
- if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative Net Asset Value

Euronext Paris SA will publish, each Trading Day (as defined below) during trading hours, the Sub-fund's indicative net asset value (hereinafter "iNAV"). The iNAV is a measure of the intra-day value of the Sub-fund's net asset value based on the most recent data. The iNAV is not the value at which investors buy and sell shares in the Sub-fund on the secondary market.

A "**Trading Day**" is a day on which Euronext is normally open and on which the Benchmark Index is normally published.

The Sub-fund's iNAV is a theoretical net asset value calculated every 15 seconds by Solactive AG throughout the Paris trading day and is based on the level of the Benchmark Index. The iNAV enables investors to compare the prices that the Market Makers offer on the market with the theoretical value calculated by Solactive AG.

The iNAV will be calculated every day that the net asset value is calculated and published.

For the calculation of the Sub-fund's iNAV during the Paris trading session (from 9.05 am to 5.35 pm), Solactive AG will use the Benchmark Index value published by Reuters.
If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar), and if the INAV cannot be calculated, trading in the Sub-fund's shares may be suspended.

Lyxor International Asset Management, the Sub-fund's management company, will provide Solactive AG with all the financial and accounting data it needs to calculate the Sub-fund's iNAV and in particular:

- The day's estimated net asset value
- The official net asset value of the previous business day
- The level of the Benchmark Index on the previous business day.

These data will serve as a basis for Solactive AG's calculations to determine the Sub-fund's iNAV in real time every Trading Day.

Additional information about the indicative net asset value of a share listed on an exchange may, in accordance with the terms and limits set by the relevant market undertaking, be provided on this exchange's website. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about the Bloomberg and Reuters codes for the indicative net asset values of all UCITS ETF type share classes is also available in the "Term Sheets" section of Lyxor's website at www.lyxoretf.com.

b) If the Sub-fund's shares are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following

Investors wishing to acquire shares in the Sub-fund or obtain more information regarding the market-making terms that govern the listing and trading of shares on the types of exchanges indicated in the "Key Information" section are advised to familiarise themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and to seek if necessary the assistance of their usual broker(s) for executing trades on the relevant exchange(s).

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price they receive. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per subscription order or 5%, payable to a third party
Subscription fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(2)
Redemption fee not kept by the Sub-fund	NAV per share x number of shares	The higher value of either EUR 50,000 per redemption order or 5%, payable to a third party
Redemption fee kept by the Sub-fund	NAV per share x number of shares	Specific terms(1)(3)

The Management Company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded.

Specific terms:

(1) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http//www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf.

(2) The fees for subscriptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when investing the sum obtained from the subscription, given the method of order execution agreed with the AP.

(3) The fees for redemptions by APs, as described in Section 4.3 "PRIMARY MARKET TRANSACTIONS - Directed cash transactions", represent the Theoretical Costs (as defined in the aforementioned Section 4) the Sub-fund incurs when divesting securities to obtain the sum necessary for the redemption, given the method of order execution agreed with the AP.

OPERATIONAL AND MANAGEMENT FEES

These fees include expenses that are charged directly to the Sub-fund, except for transaction expenses. Transaction expenses include intermediary fees (brokerage, stock market taxes etc.) and any transaction fee that may be charged, and usually by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- Incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- Account activity fees charged to the Sub-fund.
- the direct and indirect operational fees/expenses of securities financing transactions.

For more information on the fees and expenses that are charged to the Sub-fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Sub-fund	**Base**	**Maximum charge**
Investment management and administrative fees that are external to the Management Company, including tax (1)	Net assets	0.60% annual
Maximum indirect expenses (management expenses and fees)	Net assets	N/A
Account activity charge	Charged on each transaction	N/A
Incentive fee	Net assets	N/A
The direct and indirect operational fees/expenses of securities financing transactions.	The income from these transactions	20% for the Management Company 15% for the Agent

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund’s shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund’s shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the “Volcker Rule“ (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund’s shares may only be offered or sold outside of the United States.

The Sub-fund’s shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

A **"U.S. Person"** is defined to be (A) a "United States Person" as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a "Non-United States Person" as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission of the United States of America, and/or (C) a "U.S. Person" as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

German tax rules that apply to the Sub-fund

Under the German tax act on investment funds (InvStG-E), the Sub-fund is a "mutual fund" and must comply with the criteria that apply to "equity funds". As such, the Sub-fund will hold a basket of securities that are eligible for the equity ratio as this term is defined under said German tax act, and which will represent at least 90% of its net assets under normal market conditions. To ensure compliance with this ratio, the Sub-fund may adjust this basket of securities on a daily basis.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

The World Alternative Energy Index CW Net Total Return index is calculated by Dow Jones Indices, a division of Dow Jones & Company, Inc. ("Dow Jones") and is compiled by the SAM Group ("SAM"). Dow Jones" and "Dow Jones Indexes" are registered trademarks of Dow Jones & Company, Inc.. The investment products based on the World Alternative Energy Index CW Net Total Return are not offered, guaranteed, sold or promoted by Dow Jones Indexes nor by SAM nor do Dow Jones Indexes and SAM express any opinion whatsoever on the advisability of investing in such investment products. Dow Jones, SAM and their respective affiliated companies, sources and distributing agents (collectively designated as the "Index Parties"), exclude themselves from any liability with regards to Lyxor International Asset Management, any customer or third party resulting from the loss or damage, either directly or indirectly, stemming from (i) incorrect or incomplete data provided by the World Alternative Energy Index CW Net Total Return, or delays, interruptions, errors or omissions concerning the said data or any other related data ("**Index Data**") or from (ii) any decision adopted or measure taken by Lyxor International Asset Management, any customer or third party on the sincerity of the Index Data. The Index Parties do not provide any certification, whether explicit or implied, to Lyxor International Asset Management, any of its customers or any third party in respect ot the Index Data, in particular no certificate as to the opportunity, order, accuracy, completeness, validity, marketing, quality or adequacy with a particular objective, or any certificate as to the results that are to be obtained by Lyxor International Asset Management, any of its customers or any third party pertaining to the use of the Index Data. The Index Parties exclude themselves from any liability with regards to Lyxor International Asset Management, any customer or third party in the event of operating losses, lost income or indirect damage, whether special or similar, of any nature whatsoever, whether pertaining to contractual damage, due to negligence, or otherwise, even if they are informed of the possibility of such damage.. There are no contractual relations whatsoever between Dow Jones or the SAM Group and any of the customers of Lyxor International Asset Management for the investment products based on the World Alternative Energy Index CW Net Total Return or linked to the latter. The Sub-fund which is based on the World Alternative Energy Index CW Net Total Return, is not proposed, guaranteed, sold or promoted by the Index Parties, who give no opinion whatsoever on the advisability of an investment.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders will be sent by the investors' brokers (members of Euroclear France SA) and will be received and processed by Societe Générale.

The Sub-fund's prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxoretf.com.

Prospectus publication date: see the "Publication Date" section.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in the investment policy is available on the Management Company's website and in the Sub-fund's annual report.

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

The Management Company's "voting policy" in r espect of the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

This Prospectus must be made available to investors prior to subscription.

Taxonomy Regulation

The Sub-fund promotes environmental and/or social characteristics, pursuant to Article 6 of the Taxonomy Regulation.

The European Union's Taxonomy Regulation aims to identify economic activities that are considered environmentally sustainable ("**Sustainable Activities**").

The Taxonomy Regulation identifies these activities according to their contribution to six main environmental objectives: (i) climate change mitigation, (ii) climate change adaptation, (iii) sustainable use and protection of water and marine resources, (iv) transition to the circular economy (waste, prevention and recycling), (v) pollution prevention and control, and (vi) protection of healthy ecosystems.

To be considered sustainable, an economic activity must demonstrate that it makes a substantial contribution to one or more of the six objectives, that it does not cause significant harm to any of these objectives (the so-called "DNSH" principle, "Do No Significant Harm") and that it is carried out in compliance with the minimum safeguards set out in Article 18 of the Taxonomy Regulation. The DNSH principle only applies to investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The Sub-fund may invest partially in economic activities that contribute to the following environmental objectives: climate change mitigation and climate change adaptation.

While the Sub-Fund may already hold investments in Sustainable Activities without being committed to a minimum share of investment, the Management Company shall use its best endeavours to ensure that this minimum share of the investments underlying the financial product made in Sustainable Activities is available as soon as reasonably practicable after the entry into force of the Regulatory Technical Standards with regards to the content and presentation of disclosures pursuant to Article 8(4), 9(6) and 11(5) of Regulation (EU) 2019/2088 as amended by the Taxonomy Regulation.

As data becomes available and calculation methodologies are developed, the description of the extent to which the underlying investments are made in Sustainable Activities will be made available to investors. This information, together with information on the proportion of enabling and transitional activities, will be included in a future version of the prospectus.

This commitment will be achieved in a progressive and ongoing manner, by engaging in discussions with the Benchmark administrator to incorporate the requirements of the Taxonomy Regulation into the Benchmark methodology as soon as reasonably possible. This will result in a minimum degree of alignment of the portfolio with Sustainable Activities which will be made available to investors at that time.

In the meantime, the degree of the portfolio's alignment with Sustainable Activities will not be available to investors.

If you have any questions, please contact the Management Company at the address below: client-services-etf@lyxor.com.

The Management Company draws investors' attention to the fact that the investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules of the European Directive 2009/65/EC of 13 July 2009.

The Sub-fund may invest in the assets specified in Article L214-20 of the French monetary and financial code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French monetary and financial code, the Sub-fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Sub-fund may also increase this 20% limit for a single issuer to 35%, when this is justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET VALUATION AND ACCOUNTING RULES

- **A. VALUATION RULES**

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value.
If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.
However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;

- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;

- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.

- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.

- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 45: Planet Monde

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODES
Acc share class: FR0013431129

NAME

Planet Monde (the "**Sub-fund**").

The Sub-fund is a feeder fund. As such, it must invest at least 85% of its assets in the units of the Lyxor Planet fund, which is a French FCP common fund (hereafter the "**MASTER FUND**".

The MASTER FUND unit class in which the Sub-fund will invest is the "Z – (EUR)" unit class, the ISIN code of which is FR0010755769.

INCEPTION DATE

This Sub-fund was approved by the Autorité des Marchés Financiers on 28 June 2019 and was established on 19 July 2019.

INVESTMENT OBJECTIVE

The Sub-fund is a passively managed index-tracking fund.
The Sub-fund's investment objective is identical to that of the MASTER FUND as described in the section entitled "INFORMATION CONCERNING THE MASTER FUND".

The Sub-fund's performance will differ from that of the MASTER FUND due to the fees and charges to which the Sub-fund is subject and/or any liquid assets it may hold.

BENCHMARK INDEX

There is no relevant benchmark index given the investment techniques employed.

INFORMATION CONCERNING THE MASTER FUND

INVESTMENT OBJECTIVE

The MASTER FUND's investment objective is to achieve capital growth by capturing the performance of different global asset classes by investing in listed tracker funds (UCITS ETFs), while maintaining an average annual volatility of approximately 7%.

THE MASTER FUND BENCHMARK INDEX

There is no benchmark index that is relevant for this Sub-fund.

ELIGIBILITY OF THE MASTER FUND

According to the investment objective and policy described above, the MASTER FUND may invest more than 50% of its net assets in the units or shares of other UCITS.

INVESTMENT STRATEGY

1. Strategy employed

Since the Sub-fund is a feeder fund of the MASTER FUND, it has a regulatory obligation to invest at least 85% of its assets in the MASTER FUND's units, with the objective of investing almost 100% of its net assets in the MASTER FUND's units.

The Sub-fund may hold liquid assets on an ancillary basis.

An overview of the MASTER FUND's investment strategy is provided below.

OVERVIEW OF THE MASTER FUND'S INVESTMENT STRATEGY

PLEASE NOTE: IN THIS SECTION ENTITLED "OVERVIEW OF THE MASTER FUND'S INVESTMENT STRATEGY", THE TERM "MANAGEMENT COMPANY" REFERS TO THE MASTER FUND'S MANAGEMENT COMPANY.

THE MASTER FUND'S INVESTMENT POLICY

1. The MASTER FUND's investment process

The MASTER FUND will invest mainly in a portfolio of UCITS ETF index tracker funds that are traded on a regulated market.

The MASTER FUND's investment strategy is based on a proprietary methodology and tools developed by the Management Company, which are used to systematically assess the prospective long-term returns and risks of the main global asset classes (equities, bonds, commodities and currency), by geographic region, economic sector and investment theme. This provides diversified and flexible exposure through an active and discretionary investment process that is executed in two phases:

(i) *The initial construction of an optimum "strategic portfolio" for the MASTER FUND, which aims for long-term performance without taking short-term market trends into consideration. The following process is observed in constructing this portfolio:*

1. *Short-, medium- and long-term macroeconomic scenarios are determined for money-market rates, corporate profits and inflation in the relevant geographic regions.*

2. *The projected medium- and long-term returns of the main asset classes are assessed on the basis of these macroeconomic scenarios and asset purchase prices. This assessment is made using conventional valuation models for these asset classes, which the Management Company has developed and enhanced.*
3. *These projected returns are used to calculate the optimum "strategic portfolio" for the MASTER FUND based on investment fundamentals over a medium- or long-term horizon. For this calculation, the Management Company uses bespoke analysis tools it has developed (financial scenario generators and dynamic portfolio optimisers).*

(ii) The adjustment of this strategic portfolio, if necessary, in accordance with the Management Company's opinions on short-term trends in financial markets and their corresponding risks.

This formal investment process thus results in an allocation that consists of investment vehicles that are representative of the asset classes selected to compose the "strategic portfolio", which is a result of the positions taken with medium- and long-term perspectives (and is therefore exposed to the fundamental value of the underlying financial markets) and of purely tactical positions which seek to take advantage of the short-term dynamics of the various asset classes.

This process does not provide for the use of financial futures to obtain over-exposure. The MASTER FUND does not use leverage.

Investors should note that the MASTER FUND's proportional exposure to its asset classes may vary considerably in accordance with their cycle of over- and under-valuation.

Up to 100% of the MASTER FUND's assets will be exposed to the shares or units of UCITS and in particular to exchange-traded tracker funds. The MASTER FUND may also invest up to 30% of its assets in the shares or units of French or foreign alternative investment funds ("AIF") that meet the four criteria specified in Article R 214-13 of the French Monetary and Financial Code.

Maximum exposure limits:

- *Exposure to the equity share class may range from 0% to 80% of the MASTER FUND's assets, with exposure to small-cap and mid-cap equities limited to 20% of assets*
- *Exposure to the bond share class may range from 0% to 80% of the MASTER FUND's assets, with exposure to high-yield (speculative) bonds limited to 30% of assets*
- *Exposure to the commodities asset class may range from 0% to 30% of the MASTER FUND's assets*
- *Exposure to the interest-rate asset class may range from 0% to 30% of the MASTER FUND's assets*
- *Exposure to the emerging countries asset class may range from 0% to 20% of the MASTER FUND's assets*
- *the MASTER FUND will not be exposed directly to the commodities asset class, but may be exposed thereto indirectly (e.g. via an index or a fund's units or shares)*
- *The MASTER FUND may be exposed to currency, equity, bond and two-tier interest-rate risks, which combined may in some cases represent up to 100% of the MASTER FUND's assets:*

1. Any directly-held securities or shares or units of an UCITS and/or AIF the fund may acquire that are denominated in another currency than the euro may not exceed 30% of the MASTER FUND's assets; and
2. Any currency risk to which the UCITS and/or AIF in which the MASTER FUND invests are exposed will not be subject to restrictions in the MASTER FUND.

The Management Company may also use derivative financial instruments traded on regulated or over-the-counter markets. The asset manager may use these instruments to hedge currency risk. Transactions involving derivatives and securities with embedded derivatives will be used to hedge currency risk and shall not exceed 100% of the MASTER FUND's assets.

The risk exposure targetted for the MASTER FUND naturally depends on the configuration of the various asset class markets and their prospective returns. The Management Company believes however that the MASTER FUND's volatility will average about 7%, which is similar to that of a balanced portfolio composed of 50% equities and 50% bonds.

Some asset classes are characterised by specific risks, such as exposure to small-cap equities, emerging countries or high-yield bonds.

2. Balance sheet assets (excluding embedded derivatives)

- Holding shares or units in other CIU or investment funds

The MASTER FUND will invest up to 100% of its assets in UCITS and in particular exchange-traded index trackers.
Funds that comply with Directive 2009/65/CE (the UCITS Directive) may represent up to 100% of assets.

These UCITS may be traded on Euronext Paris S.A.'s the NextTrack segment or on other organised markets. Market makers are committed to maintaining a bid/ask spread on these UCITS to ensure a minimum level of liquidity.

The MASTER FUND may also invest up to 30% of its total net assets in alternative investment funds that meet the four criteria of Article R 214-13 of the French Monetary and Financial Code.

The Management Company may invest in investment funds that are managed by the Management Company, by an affiliated compays, and/or by an entity of the Crédit Agricole group.

- Equities

To optimise the MASTER FUND's management and achieve its investment objective, the manager reserves the right to use other financial instruments in compliance with regulations. The MASTER FUND may invest in baskets of equities.

- Debt securities

To optimise the MASTER FUND's management and achieve its investment objective, the manager reserves the right to use other financial instruments in compliance with regulations. The MASTER FUND may invest in exchange traded notes (ETN).

The MASTER FUND will not engage in total return swaps.

3. Off-balance sheet assets (derivatives)

To achieve its investment objective, the MASTER FUND may engage in derivatives transactions subject to the following conditions:

Eligible markets:
☒ *regulated*
☒ *organised*
☒ *over-the-counter*

Risks to which the MASTER FUND may seek or hedge exposure:
☒ *equity*
☒ *interest-rate*
☒ *currency*
☒ *credit*

Purpose (all transactions must be consistent with the investment objective)
☒ *hedging*
☒ *exposure*
☐ *arbitrage*
☐ *other types (specify)*

Eligible instruments:
☐ *futures*
☒ *options*
☐ *swaps*
☒ *forward exchange contracts*
☐ *credit derivatives:*
☐ *other types (specify)*

Strategy for using derivatives to achieve the investment objective:
☒ *to hedge the overall portfolio or specific currency, interest-rate, equity or bond risks (up to 100% of net assets).*
☒ *to achieve synthetic exposure to assets or risks (up to 100% of assets)*
☐ *to increase market exposure and adjust maximum authorised and targeted leverage*
☐ *other strategy (specify).*

In executing its investment strategy, the MASTER FUND will use forward exchange contracts to expose the fund to currency pairs.

For unit classes that are not denominated in EUR, the MASTER FUND will also enter into forward exchange contracts between the unit class currency and the EUR to cover all or part of the unit class's specific currency risk as effectively as possible over the life of the MASTER FUND.

The MASTER FUND may also use listed equity and/or bond options to hedge or increase exposure.

4. Securities with embedded derivatives used by the MASTER FUND

N/A.

5. Cash deposits made by the MASTER FUND

In order to optimise its cash management, the MASTER FUND may deposit funds representing up to 20% of its net assets with lending institutions.

6. Cash borrowings by the MASTER FUND

The MASTER FUND may temporarily borrow up to 10% of the value its net assets, mainly in order to optimise its cash management.

7. Securities financing transactions entered into by the MASTER FUND

The MASTER FUND will not engage in any securities financing transactions.

8. Use of collateral by the MASTER FUND

Whenever the investment strategy employed exposes the MASTER FUND to counterparty risk, and in particular when the MASTER FUND uses forward exchange contracts and/or engages in securities financing transactions (the fund will not engage in these transactions), the MASTER FUND may receive collateral in the form of securities and/or cash to reduce the counterparty risk of these transactions.
The MASTER FUND will have full title to all collateral received, which will be deposited in the MASTER FUND's account with the depositary. This collateral will therefore be included in the MASTER FUND's assets. If the counterparty defaults on its obligation, the MASTER FUND may dispose of the assets received from the counterparty to pay off the counterparty's debt to the MASTER FUND in respect of the secured transaction.

All collateral the MASTER FUND receives for this purpose must comply with the applicable laws and regulations, with respect in particular to liquidity, valuation, the credit-worthiness of securities issuers, correlation, and the risks of collateral management and enforceability. All collateral received must in particular meet the following criteria:

(a) The collateral received must be of good quality, meet the minimum liquidity requirements specified by the Management Company's Risks department, and be traded on a regulated market or a multilateral trading facility with transparent pricing to enable the collateral to be sold rapidly at a price that is near its previously estimated value.
(b) collateral must be valued at its mark-to-market price at least daily and assets with highly volatile prices are not acceptable as collateral, unless a sufficiently prudent discount or "haircut" is applied.

(c) collateral must not exceed the correlation limits set by the Management Company's Risks department, which are calculated on derivatives contracts in compliance with EMIR regulations;
(d) collateral must be sufficiently diversified in terms of country, market and issuer, with exposure to any single issuer limited to 20% of the MASTER FUND's net asset value;
(e) collateral must be immediately enforceable by the MASTER FUND's Management Company without informing the counterparty and without its approval.

Subject to the above conditions, the MASTER FUND may accept the following forms of collateral:

1) *cash and cash-equivalent assets, which for example include short-term bank deposits and balances and money-market instruments*
2) *bonds issued or guaranteed by an OECD Member State, or by its local government entities, or by an EU, regional or global supranational institution or organisation, or by any country provided that conditions (a) to (e) above are fully complied with*
3) *shares or units issued by money-market funds that calculate a daily net asset value and have an AAA or equivalent credit rating;*
4) *shares or units of CIU that invest mainly in the bonds and/or equities indicated in (5) and (6) below*
5) *Bonds issued or guaranteed by first-class issuers offering sufficient liquidity [and which have a credit rating of at least BBB- by S&P and/or Fitch, or an equivalent rating by Moody's*
6) *shares admitted for trading or traded on a regulated market of an EU Member State, on a securities exchange of an OECD Member State, or on a securities exchange of a non-OECD country provided that the conditions of points (a) to (e) above are fully met and that these shares are a component of a leading stock index.*

Collateral discount policy

The MASTER FUND's Management Company shall apply a discount to the collateral accepted by the Sub-fund. The amount of these discounts will depend mainly on the following:
- *the nature of the collateral asset*
- *the maturity of the asset provided as collateral (if relevant)*
- *the credit rating of the issuer of the asset provided as collateral (if relevant).*

A higher discount may be applied to collateral received in a currency other than the euro.

Reinvestment of collateral

Non-cash collateral will not be sold, reinvested or pledged.

At the manager's discretion, cash collateral may either be:
- *deposited with an authorised institution*
- *invested in high-quality government bonds;*
- *invested in short-term money market funds that meet the guidelines for a common EU definition of money market funds.*

All cash collateral that is reinvested must be invested in a diversified manner in compliance with the rules that apply to the acceptance of non-cash collateral.

RISK PROFILE

Shareholders' money will be invested mainly in units of the MASTER FUND.

The Sub-fund's risk profile is identical to that of the MASTER FUND (which is indicated below).

The MASTER FUND's risk profile

Capital risk
The principal invested in the MASTER FUND is not guaranteed. Unit-holders may therefore lose all or part of their initial investment.

Risk that the MASTER FUND will not achieve its investment objective
There can be no guarantee that the MASTER FUND will achieve its investment objective. There is no certainty that the Management Company will be able to allocate the MASTER FUND's assets profitably and the MASTER FUND may suffer losses even though some financial markets are posting positive returns.

Equity risk
The MASTER FUND may be directly or indirectly exposed to equities. The price of an equity security can increase or decrease in accordance with changes in the issuer's risk exposure, in the economic conditions of the market in which the security is traded, and in investor expectations. Equity markets historically show more price volatility than do interest-rate markets. In particular, the MASTER FUND may be exposed to small-cap and medium-cap companies, which may increase market and liquidity risks. These price variations may decrease the MASTER FUND's net asset value.

Currency risk
The MASTER FUND may be exposed to currency risk as a result of its direct or indirect exposure to assets that are not denominated in euros. Fluctuations in the exchange rates of these currencies with respect to the euro may therefore adversely affect the MASTER FUND'S net asset value.

Interest-rate risk
The price of a bond or other debt security is dependent on changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise. Interest-rate risk is generally higher for long-term or long-maturity investments. Changes in interest rates may therefore increase or decrease the MASTER FUND's net asset value.

Credit risk
If the issuer of a debt security (including convertible bonds) to which the MASTER FUND is directly or indirectly exposed is no longer able to meet its debt obligations, the value of this security may decrease, and thus decrease the MASTER FUND's net asset value. The deterioration of the credit quality of one or more issuers of debt securities to which the MASTER FUND is directly or indirectly exposed may decrease the value of the securities and therefore adversely affect the MASTER FUND. The MASTER FUND may in particular be exposed to speculative bonds with non-investment grade ratings. If an issuer of such a bond defaults or becomes insolvent, its bonds may be exposed to a risk of loss that is higher than the risk to which a bond with a higher credit rating is exposed.

Risk of using derivatives
The MASTER FUND may use Financial Contracts, including forward contracts, listed and OTC options and swaps. Exposure to such Financial Contracts may involve considerable risk. Since the amount of money required to establish a position in a Financial Contract may much less than the exposure obtained under the contract, each transaction involves "leverage". The market value of a Financial Contract is quite volatile and may therefore vary considerably. Contracts traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these contracts may be more volatile. These variations of value and price may therefore adversely affect the MASTER FUND's net asset value.

Investment in non-investment grade securities (i.e. speculative or "high-yield" bonds)
The MASTER FUND will be exposed to speculative or "high-yield" bonds with non-investment grade ratings or which have not been rated by a credit rating agency but which are deemed to be equivalent in quality to bonds with a non-investment grade rating. If an issuer of such a bond defaults or becomes insolvent, its bonds may be exposed to a risk of loss of income and/or principal that is higher than the risk to which a bond with comparable characteristics but with a higher credit rating is exposed. The market value of the Sub-fund's bonds may therefore be more volatile.

Counterparty risk
The MASTER FUND is particularly exposed to counterparty risk as a result of its use of over-the-counter derivatives contracts and efficient portfolio management transactions. The 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. If the counterparty defaults, the Financial Contract may be terminated prematurely and the MASTER FUND may have to enter into another contract with a third-party counterparty, at the market conditions that prevail at that time. This risk could cause losses for the MASTER FUND and prevent it from achieving its investment objective. In compliance with the regulations that apply to FCP funds, exposure to counterparty risk may not exceed 10% of the fund's total assets per counterparty.

Risk of exposure to emerging and developing markets
Exposure to emerging markets entails a greater risk of loss than does investment in developed markets, for example due to the higher volatility of emerging markets and the greater risk of economic and/or political instability.

Commodities risk
Commodity markets are often exposed to greater and more variable risks than are other financial markets. The price of a commodity may therefore be highly volatile and adversely affect the MASTER FUND's performance.

Sustainability risks
The MASTER FUND does not integrate sustainability factors in its investment decision-making process, and is exposed to sustainability risks. The occurrence of such risks could have an adverse impact on the value of the MASTER FUND's investments. Additional information may be found in the "Sustainability Disclosures" section of the MASTER FUND's Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

The Sub-fund is intended for investors who have relatively little aversion to risk. The level of risk exposure depends mainly on the market configurations of the asset classes and their prospective returns.

Investors should therefore note that the proportional exposure to the MASTER FUND's asset classes may vary considerably in accordance with their cycle of over- and under-valuation.

The amount that it is reasonable to invest in this Sub-fund depends on each investor's personal situation. To determine this amount, investors must take into account their personal wealth and/or estate, and their cash requirements at present and for the next three years, as well as whether or not they wish to take risks or prefer a cautious investment approach.
Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund's risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least three years.

"U.S. Persons" (as this term is defined in the COMMERCIAL INFORMATION section below) are prohibited from investing in the Sub-fund.

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated

DISTRIBUTION FREQUENCY

If the Management Company decides to distribute the distributable amounts, such distribution will be made after the close of the accounting period.
However, the Management Company may decide, during the year, to distribute one or more interim dividends.

SHARE CHARACTERISTICS

Units	**ISIN code**	**Allocation of distributable amounts**	**Currency**	**Eligible investors**	**Minimum subscription/redemption amount**
Acc	FR0013431129	Accumulation	EUR	All investors	EUR 100

The Management Company and the CIU that are managed by the Management Company are exempted from the minimum initial subscription requirement. No minimum amount is required for subsequent subscriptions.

The Management Company reserves the right to accept a subscription for an amount that is less than the minimum subscription amount indicated in the table above.

Subscription orders must be placed for a monetary amount.
Redemption orders may be placed for a specific monetary amount or a number of units, divisible into fractions of one thousandth.

SHARE CURRENCY

Euro

SUBSCRIPTION AND REDEMPTION

Subscription and redemption conditions

Subscription and redemption orders must be received and processed by the Depositary by 11:00 am (Paris time) on a date that the net asset value is established to be executed at the following day's net asset value. Orders that are received after 11:00 am (Paris time) will be considered to have been received the following Business Day and will be executed at the net asset value of the following Business Day (D+1).

The minimum initial subscription amount is indicated in the KEY INFORMATION table. The minimum amount for subsequent subscriptions is one thousandth of a unit.

Orders will be executed as shown in the table below:

Day D:	Day D:	Day D+1: day that the NAV is established	D+2 business days (D+4 maximum)	D+3 business days (D+5 maximum)	D+5 business days[2]
Subscription orders are processed until 11:00 pm[1]	Redemption orders are processed until 11:00 pm[1]	Order are executed no later than day D+1	The net asset value is published	Subscriptions are settled	Redemptions are settled

1. Unless another cut-off time is agreed with your financial institution.
2. The settlement times indicated are maximums. Some transactions may be subject to shorter settlement times.

Address of the entity that receives subscription and redemption orders
Société Générale S.A. - 32, rue du Champ du Tir – 44000 Nantes – France

Subscriptions/redemptions in cash
Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Place and method of net asset value publication or communication
At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris – France.

Date and frequency of net asset value calculation
The net asset value is calculated daily. Although it must be calculated and published within four Business Days after the Net Asset Value Date, it will normally be calculated and published on the Business Day that follows each Net Asset Value Date and will reflect the Sub-fund's assets as of the Net Asset Value Date.
A "Business Day" is defined as a day that is not a public holiday in France, as defined in the French labour code, and a day on which the Euronext Paris exchange (or its successor) is normally open.

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price they receive. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

SUB-FUND'S FEES:

Fees paid by investors and deducted from subscriptions and redemptions	**Base**	**Maximum charge**
Subscription fee not kept by the Sub-fund	NAV per share × number of units	4% maximum
Subscription fee kept by the Sub-fund	NAV per share × number of units	N/A
Redemption fee not kept by the Sub-fund	NAV per share × number of units	0% maximum
Redemption fee kept by the Sub-fund	NAV per share × number of units	N/A

MASTER FUND'S FEES:

Fees paid by investors upon subscription or redemption	***Base***	***Maximum charge***
Subscription fee not kept by the MASTER FUND	NAV per share × number of units	*1% maximum*
Subscription fee kept by the MASTER FUND	NAV per share × number of units	*N/A*
Redemption fee not kept by the MASTER FUND	NAV per share × number of units	*N/A*
Redemption fee kept by the MASTER FUND	NAV per share × number of units	*0% maximum*

OPERATIONAL AND MANAGEMENT FEES AND CHARGES

These fees and charges cover all the costs invoiced directly to the Sub-fund, except for transaction expenses. Transaction expenses include intermediary fees (brokerage, stock market taxes etc.) and any transaction fee that may be charged, usually by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):

- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- transaction fees, which are charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Fees and Charges section of the Key Investor Information Document (KIID).

Fees charged to the SUB-FUND	**Base**	**Maximum charge**
Investment management fees and administrative fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net asset value	1.20% incl. tax p.a
Maximum indirect management fees (management fees and charges) (2)	Net asset value	1.10% incl. tax p.a
Incentive fee	Net asset value	N/A
Transaction fee	Charged on each transaction	N/A

(1) includes all fees and charges except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds.
(2) includes the maximum indirect management fees (i.e. management fees and charges) charged to the MASTER FUND.

Fees charged to the MASTER FUND	***Base***	***Maximum charge***
Investment management fees and administrative fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net asset value	0.1% incl. tax
Maximum indirect management fees (management fees and charges)	Net asset value	1.00% incl. tax p.a
Incentive fee	Net asset value	N/A
Turnover fee:	*Charged on each transaction*	0.10% incl. tax on the UCITS ETF units 0.10% incl. tax on ETN 0.10% incl. tax on equity baskets

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund’s shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund’s shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's Management Company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

Holders of the Sub-fund's shares are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the "**Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

The Volcker Rule

Certain provisions of the laws and regulations of the United States of America apply to Crédit Agricole, to the Sub-fund and to its unit-holders. On 21 July 2010, President Barack Obama enacted the Dodd-Franck Act. Article 619 of the Dodd-Franck Act and its implementation rules (commonly referred to as the “Volcker Rule”) restrict the capacity of a banking entity, such as most of the entities of the Crédit Agricole group, to acquire or hold shares or units or any other form of equity in a covered fund or to promote (which includes acting as a commodity pool operator) a covered fund (which term includes certain alternative investment and private equity funds). Notwithstanding this, the Volcker Rule allows non-U.S. banking entities to acquire, hold and promote undertakings for collective investment (UCI) that are not offered for sale in the United States and which meet certain conditions (such UCI being referred to as “foreign excluded funds”). In order for a CIU to be considered a foreign excluded fund, it must meet the following conditions: (1) the banking entity must not be an entity of the United States of America; (2) the CIU must be domiciled outside of the United States of America and its units or shares must be offered and sold only outside of the United States of America; and (3) the CIU must either not be a commodity pool as this term is defined in the U.S. Commodity Exchange Act, or if it is a commodity pool, there must not be a commodity pool operator that is subject to or which may be subject to rule CFTC 4.7 such as exemption from some obligations under the U.S. Commodity Exchange Act.

The Volcker Rule came into effect on 21 July 2012. All banking entities, subject to certain exemptions, have an obligation to bring their activities and investments into compliance with the Volcker Rule before the end of the compliance period, i.e. no later than 21 July 2015. The US Federal Reserve Board has decided to extend the compliance period until 21 July 2017 for collective investment undertakings formed prior to January 1st 2014.

Sub-fund unit-holders which are themselves banking entities subject to the Volcker Rule under certain circumstances may be prevented by the restrictions of the Volcker Rule from acquiring or holding units in the Sub-fund. An investment fund that is neither promoted or managed by the Management Company (or by any other entity of Crédit Agricole group) may not be subject to these provisions.

The Management Company and its Affiliated Entities provide no assurance to unit-holders as to how the Sub-fund may be classified under the Volcker Rule. The Sub-fund’s unit-holders must rely on their own legal advisors as to the possible effects of the Volcker Rule on the purchase of units in the Sub-fund.

A “U.S. Person” is defined to be (A) a United States Person as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a Non-United States Person as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission, and/or (C) a U.S. Person as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

An “Affiliated Entity” is defined to be, with respect to a given entity, another company that controls, or is controlled by, or is under joint control along with this given entity, pursuant to the terms and conditions of the United States Bank Holding Act of 1956.

Dodd-Frank Act: The United States Dodd Franck Wall Street Reform and Consumer Protection Act.

The Crédit Agricole group: Crédit Agricole S.A. and its subsidiaries, Affiliated Entities and/or Associates.

Crédit Agricole S.A. or Crédit Agricole: A French bank and a Société Anonyme company registered in France and which has its registered office at 12, place des Etats-Unis, 92127 Montrouge Cedex, France.

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published every Trading Day.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

Summary of the internal rules observed by the Management Company in respect of MASTER FUNDs and Feeder Funds

The Management Company has implemented internal rules to ensure compliance with the provisions of Article 411-87 et sec of the AMF's General Regulations in respect of the management of the MASTER FUND and of the Feeder Fund (the "**Internal Procedure**"). The Management Company ensures that the Internal Procedure is observed by all staff members involved in the structuring, documentation, management and functioning of the MASTER FUND and by all staff members who have the same responsibilities vis-à-vis the Feeder Fund. These obligations include timely communication of the following information between the two funds:

- Regulatory documents that apply to MASTER FUNDs and Feeder Funds and any amendments thereto
- The Feeder Fund's subscriptions and redemptions of the MASTER FUND's units
- Prior notification of the suspension or resumption of subscriptions and redemptions
- Prior notification of any modification or correction of price by the MASTER FUND
- Information in respect of audit reports, standing arrangements or other substantial arrangements, or any modifications thereto
- On the handling of customer complaints
- On the management of potential conflicts of interest pursuant to the Management Company's policy for managing conflicts of interest.

The MASTER FUND's prospectus, the Key Investor Information Document and and a complete version of the Internal Procedure may be obtained from:
LYXOR ASSET MANAGEMENT
91-93 boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor Asset Management on its website at www.lyxorfunds.com.

The Sub-fund’s prospectus, the Key Investor Information Document, the most recent annual documents and the asset inventory will be sent to investors within eight business days upon receipt of a written request addressed to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93, boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxorfunds.com.

Prospectus publication date: see the "Publication Date" section

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. A summary of the Management Company’s policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/.

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company’s possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company’s website and in the Multi Units France annual report.

The Management Company’s policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company’s website at http://www.lyxor.com..

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer’s shareholders meeting provided that the proportion of securities held by the Management Company’s funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

This Prospectus shall be made available to investors prior to subscription.

Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

Taxonomy Regulation

In accordance with Article 7 of the Taxonomy Regulation, the Management Company draws investors' attention to the fact that the investments underlying this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The Sub-fund will comply with the investment rules set out in European Directive 2009/65/EC of 13 July 2009.
In accordance with Article R214-31-1 of the French Monetary and Financial Code, the Sub-fund may invest up to 100% of its assets in units or shares of the MASTER FUND.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure.

ASSET RECOGNITION AND VALUATION RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. The Management Company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. The Management Company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.
- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM / Reuters fixing rates on the day the Sub-fund's net asset value is calculated.

B. Accounting method for trading expenses

Trading expenses are excluded from the initial cost of transactions.

C. Accounting method for income from fixed-income securities

Income from fixed-income securities is accounted for using the cash-basis method.

D. Distribution policy

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. Accounting currency

The Sub-fund's accounts are kept in euros.

SUB-FUND NO. 46: LYXOR GREEN BOND INDICIEL

A SICAV SUB-FUND COMPLIANT WITH DIRECTIVE 2009/65/CE

ISIN CODE
Acc share class: FR0014000W12

NAME

Lyxor Green Bond Indiciel (the "**Sub-fund**").

The Sub-fund is a feeder fund. As such, the Sub-fund will always have at least 85% of its assets invested in the units of the Lyxor Green Bond (DR) UCITS ETF, which is a sub-fund of the Multi-Units Luxembourg SICAV fund, hereinafter the "**MASTER FUND**".

The share class of the MASTER FUND in which the Sub-fund is invested is the "Acc" share class (ISIN code: LU1563454310).

INCEPTION DATE

The Sub-fund was approved by l'Autorité des Marchés Financiers (the French financial markets authority) on 21 January 2021. Il a été créé le 16 août 2021.

INVESTMENT OBJECTIVE

The Sub-fund is a feeder fund of a passively managed Luxembourg fund of which the benchmark index is the Solactive Green Bond EUR USD IG index.

The Sub-fund's investment objective is identical to that of the MASTER FUND as described in the section entitled "INFORMATION CONCERNING THE MASTER FUND".

The Sub-fund's performance will differ from that of the MASTER FUND due to the fees and charges to which the Sub-fund is subject and/or any liquid assets it may hold.

The Sub-fund's objective is sustainable investment within the meaning of Article 9 of the SFDR Regulation.

BENCHMARK INDEX

Given that the Sub-fund's investment objective consists in investing in the shares of the MASTER FUND, the appropriate benchmark index for the Sub-Fund is the MASTER FUND's benchmark index.

INFORMATION CONCERNING THE MASTER FUND

INVESTMENT OBJECTIVE

*The investment objective of MULTI UNITS LUXEMBOURG - **Lyxor Green Bond (DR) UCITS ETF** is to track the performance, whether positive or negative, of the Solactive Green Bond EUR USD IG Index (the "**Index**") denominated in euros, and thus gain exposure to the green bond market, while minimising the volatility of the difference between the Sub-Fund's return and that of the Index (the "**Tracking Error**").*

For Monthly Hedged share classes, the Sub-Fund will also use a monthly currency-hedge strategy, in order to minimise the impact of the evolution of each respective share class currency against currencies of each Index Component.

The expected maximum ex-post tracking error under normal market conditions is 0.50%.

THE MASTER FUND BENCHMARK INDEX

The Index's objectives

The Index is representative of the performance of green bonds issued by investment grade entities and denominated in euros and US dollars. Green bonds are issued to finance projects that have a positive impact on the environment.

Index construction method

To be included in the Index, a bond must be a "green bond" in accordance with the Climate Bonds Initiative and meet specific criteria in respect of issuance amount (at least 300 million outstanding), maturity (at least one year), credit rating (only investment grade bonds are eligible) and the currency of denomination (only bonds denominated in EUR and USD are eligible).
The Climate Bonds Initiative is a non-profit organisation that promotes large-scale investments that serve to build a low-carbon, climate-resilient economy (more information is available at http://www.climatebonds.net/). The Climate Bonds Initiative has developed and adopted the following criteria to determine the eligibility of green bonds for inclusion in the Index:

i) Environmentally-themed (self-labelled) bonds: to be eligible, green bonds must be publicly declared by their issuers to be beneficial to the environment as indicated by a specific label. Some of the most common labels are 'green', 'climate conscience', 'climate', 'environmental', 'carbon', 'sustainability' and 'ESG' (environment, social and governance). The issuer must use the label or description in a public document for the label to be valid (e.g. in a press release, a public statement, the bond prospectus or offering document).

ii) Eligible bond structures, which include:
- Asset-linked structures (or "use of proceeds" bonds), where the bond sale proceeds are used to finance eligible green projects; and
- Asset-backed structures, which consist of:
(a) Project Bonds, which are eligible if backed by a green project and the bond sale proceeds are used solely to finance that same green project; and
b) Securitised Bonds, which are eligible if their sale proceeds are used to finance green projects or assets.

iii) Use of proceeds: Issuers must commit to use all bond sale proceeds (less any mandatory bond arrangement fees) to finance eligible green projects or assets. For example, if more than 5% of the proceeds are used for 'general corporate purposes' or for a project that is not considered to be green, the bond will not be eligible for inclusion.

iv) Adherence to the Climate Bonds Taxonomy: the proceeds of an eligible green bond must be used to finance eligible green assets or projects that are generally associated with one of the following sectors (as described in the Climate Bonds Taxonomy):
- Renewable and alternative energies
- Energy efficiency
- Low carbon transport
- Sustainable water
- Waste, recycling and pollution
- Sustainable agriculture and forestry
- Climate-resilient infrastructure and climate adaptation.

As described in more detail in the "Climate Bonds Taxonomy", some areas of the above sectors may be excluded, such as reducing energy consumption for fossil fuel extraction activities (in the energy efficiency category), or a landfill project without gas capture (in the waste category). In such cases the associated bonds will not be eligible for inclusion in the Index.

More information is available at http://www.climatebonds.net/ and https://www.climatebonds.net/standard/taxonomy.

The MASTER FUND observes a substantial and engaging non-financial approach that promotes and has positive impacts on the energy and ecological transition. This approach involves continuously investing at least 90% of the Sub-fund's net assets in the Index's green bonds. To be eligible for the Index, green bonds must meet the aforementioned criteria of the Climate Bonds Initiative.

The MASTER FUND has obtained the Greenfin label.

Given its methodology and method of construction (as described above), the Index is consistent with the MASTER FUND's sustainable investment objective and is significantly different from a broad market index.

The limitations of the MASTER FUND's non-financial approach are described in the "Risk profile" section below.

Four requirements must be met before a green bond may be included in the Index: it must serve to finance an environmental project, its structure is seen to be sound, its use of proceeds is confirmed, and the green projects or assets to be funded are considered to comply with the Climate Bonds Initiative taxonomy. More information is available at http://www.climatebonds.net/.
The Index is market-value weighted, which means that the weight of each component is proportional to the bond's outstanding issuance amount. The Index is established usng prices provided by Solactive and third-party sources. The Index is calculated daily and is constructed, administered and managed by Solactive..
The Index components are reviewed and reweighted monthly on the last business day of the month. The frequency of this reweighting increases the costs of achieving the investment objective. This rebalancing of the Index may in particular increase transaction costs.
The Index is a "total return" index (i.e., interest paid by its components is reinvested in the index).
The Index construction method, the rules that govern its reweighting and the adjustment of its components, and their impact on investment costs are described in detail athttps://www.euronext.com.//www.solactive.com.

Additional information on the Benchmark Index

More information on the Index, its composition, calculation method, periodic review and rebalancing, and overall design methodology is available at https://www.solactive.com. For further information on the Index, you may refer to sub-section B 'Investments made by index sub-funds' *of Section I* "Investment objectives / Investment powers and restrictions*" of this Prospectus, and to APPENDIX F - THE BENCHMARK INDICES REGULATION.*

INVESTMENT STRATEGY

1. 1. Strategy employed

Since the Sub-fund is a feeder fund of the MASTER FUND, it has a regulatory obligation to invest at least 85% of its assets in the MASTER FUND’s units, with the objective of investing almost 100% of its net assets in the MASTER FUND’s units.

The Sub-fund may hold liquid assets on an ancillary basis.

An overview of the MASTER FUND’s investment strategy is provided below.

OVERVIEW OF THE MASTER FUND'S INVESTMENT STRATEGY

PLEASE NOTE: IN THIS SECTION ENTITLED "OVERVIEW OF THE MASTER FUND'S INVESTMENT STRATEGY", THE TERM "MANAGEMENT COMPANY" REFERS TO THE MASTER FUND'S MANAGEMENT COMPANY.

THE MASTER FUND’S INVESTMENT POLICY

1. The MASTER FUND's investment process

The MASTER FUND may use direct replication to achieve its investment objective. This involves investing directly in a portfolio of transferable securities or other eligible assets that will typically comprise the constituents of the financial index as set out in the relevant Appendix to the present Prospectus. It shall comply with the investment limits set out in the Prospectus.

To optimise this Direct Replication method, the MASTER FUND may use a “sampling” technique, which consists in investing in a representative selection of the financial index's constituents as shown in the relevant Appendix of this Prospectus.

This sampling technique enables a Sub-Fund to invest in a selection of transferable securities that are representative of the financial index, as shown in the relevant Appendix to this Prospectus, in proportions that do not reflect their weight in the financial index, and may event invest in securities that are not constituents of the financial index.

Using the Direct Replication method, the MASTER FUND may also, to a limited extent and mainly to achieve the objectives set forth under points (i) and (ii) below, , engage in transactions involving derivative financial instruments (DFI), including futures, OTC swaps, hedging swaps, forward contracts, non-deliverable forwards, and spot forex transactions, in order to:

- *Reduce tracking error, or*
- *Optimise cash management, or*
- *Reduce transaction costs or invest in illiquid securities or securities which are unavailable for market or regulatory reasons, or*
- *Help achieve the investment objective, for example by investing more efficiently in the financial index or in its components, or*
- *For any other reason the Administrators believe may be beneficial to the MASTER FUND.*

If the MASTER FUND enters into a DFI contract, the counterparty to the latter must be a first class financial institution that specialises in that type of transaction. Such counterparty shall have no discretion over the composition of the MASTER FUND's portfolio or over the assets that underlie the derivative financial instruments.

To ensure transparency on the use of the Direct Replication method (whether the financial index is fully replicated or a sampling technique is used to limit replication costs) and on its impact on the assets held in the MASTER FUND's portfolio, investors may obtain up-to-date information on the MASTER FUND's assets on the page dedicated to the MASTER FUND on Lyxor's website at www.lyxoretf.com. The frequency of updates and/or the date on which the above information is updated are also provided on the aforementioned page.

The MASTER FUND may also, on an ancillary basis, hold cash and cash-equivalent assets within the limits set forth in this Prospectus.

Specific investment restrictions

The MASTER FUND will not invest more than 10% of its assets in the units or shares of other UCITS funds. No investment will be made in non-UCITS funds.

More information on the Sub-fund's investment policy may be found in THE MASTER FUND's prospectus, in the "Investment restrictions" sub-section of section E (INVESTMENT TECHNIQUES), Chapter I / Investment objectives / Investment powers and restrictions.

INVESTMENT TECHNIQUES
The MASTER FUND will engage in no repurchase, reverse repurchase or buy-sell back transactions. It may engage in securities lending and borrowing transactions to a maximum of 25% of net assets.

RISK PROFILE

Shareholders' money will be invested mainly in units of the MASTER FUND.

The Sub-fund's risk profile is identical to that of the MASTER FUND (which is indicated below).

The MASTER FUND's risk profile

Capital risk
The principal invested in the MASTER FUND is not guaranteed. Shareholders may therefore lose all or part of their initial investment.

Risk that the MASTER FUND will not achieve its investment objective
There can be no guarantee that the MASTER FUND will achieve its investment objective. There is no certainty that the Management Company will be able to allocate the MASTER FUND's assets profitably and the MASTER FUND may suffer losses even though some financial markets are posting positive returns.

Securities lending risk
Regarding securities lending transactions, investors must be aware that (A) in the event of default by the borrower of the securities lent by the MASTER FUND, if the Lending Agent does not return the securities or compensate the MASTER FUND pursuant to the indemnity clauses set forth in the Contract with the Lending Agent there is a risk that the collateral received will be realised at a lower value than that of the securities lent, whether due to incorrect valuation, unfavourable market developments, a deterioration of the issuer's credit rating, or the illiquidity of the market in which the collateral is traded; that (B) the reinvestment of cash collateral may (i) create leverage with inherent risks and the risks of loss and/or volatility, (ii) entail a market risk that incompatible with the MASTER FUND's objectives, or (iii) generate a return that is less than the amount of the collateral to be returned; and that (C) the late return of the securities lent may impede the MASTER FUND's ability to fulfil its delivery obligations when selling the securities.

Low diversification risk
Investors may be exposed to an index or strategy that is based on a limited number of underlying securities and/or which represents a specific region/sector/strategy and which may not benefit from as much diversification as a broader index/strategy that is exposed to more than one region/sector/strategy and/or a larger number of underlying securities. This may mean higher volatility than a diversified index/strategy and a higher risk of illiquidity if liquidity decreases or of the suspension of trading in one or more components of the index or strategy.

Risks related to sampling and optimisation techniques
It may be costly and difficult to replicate the performance of the Index/strategy by investing in each of its components. Some components may not be traded due to, for example, international embargoes or market trading suspensions. The Sub-Fund Manager may therefore use optimisation and/or sampling techniques. These sampling techniques consist of investing in a selection of representative components of the Index/strategy (and not in all securities), and in proportions that differ from those of the Index/strategy. Regarding optimisation techniques, the Sub-Fund may invest in securities other than Index/strategy components and in derivatives. The use of these techniques may increase in the ex-post tracking error and cause the Sub-fund's performance to deviate from that of the Index/strategy.

Liquidity risk of the MASTER FUND on the primary market
The MASTER FUND's liquidity and/or value may be adversely affected in the event that the MASTER FUND (or a counterparty to a derivative financial instrument transaction) rebalances its exposure and the underlying financial markets are closed, if transactions are restricted, or if bid/ask spreads are abnormally large. The inability to execute orders due to low trading volume may also disrupt the subscription, conversion or redemption of Shares.

Secondary market liquidity risk
Investors are invited to consult section V of the main part of this prospectus: "Secondary Market for UCITS ETF Share Classes/Funds".

Currency risk
The MASTER FUND may be exposed to currency risk if (i) the Benchmark Index/strategy components are denominated in a currency other than that of the investor's Share Class, or if (ii) a Share Class of the MASTER FUND is listed on an exchange and/or on a multilateral trading facility in a currency other than that of the Benchmark Index/strategy components. Investors may therefore be exposed to fluctuations in the exchange rate between the currency of their investment and that of each Benchmark Index/strategy component. These fluctuations may adversely affect the performance of the Shareholder's investment.
Investors should be aware that when their investment currency is not the Benchmark Index's base currency, the performance of their investment may differ from that of the Benchmark Index due to exchange rate fluctuations. For example, the performance of a Shareholder's investment may be negative although the value of the Benchmark Index has increased.

Share Class currency hedging risk
To fully or partially hedge the currency risk of a hedged Share Class, the MASTER FUND may use a hedging strategy to try to reduce the impact of fluctuations of the Share Class's currency relative to those of some or all of the Benchmark Index/strategy components. However, the MASTER FUND's hedging strategy may be imperfect due to the frequency of reweighting and the instruments used. The Share Class's Net Asset Value may therefore be adversely affected by increases or decreases in exchange rates. Furthermore, hedging costs may also decrease a Share Class's Net Asset Value. The use of a currency hedging strategy for a given Share Class may significantly limit the ability of its shareholders to benefit from the appreciation of one or more currencies of the Benchmark/strategy components relative to the Share Class's currency.

Interest-rate risk
The price of a bond or other debt security is dependent on changes in interest rates. In general, the price of a bond rises when interest rates fall, and falls when interest rates rise. Interest-rate risk is generally higher for long-term or long-maturity investments. Changes in interest rates may therefore increase or decrease the MASTER FUND's net asset value.

Credit risk
If the issuer of a debt security (including convertible bonds) to which the MASTER FUND is directly or indirectly exposed is no longer able to meet its debt obligations, the value of this security may decrease, and thus decrease the MASTER FUND's net asset value. The deterioration of the credit quality of one or more issuers of debt securities to which the MASTER FUND is directly or indirectly exposed may decrease the value of the securities and therefore adversely affect the MASTER FUND. The MASTER FUND may in particular be exposed to speculative bonds with non-investment grade ratings. If an issuer of such a bond defaults or becomes insolvent, its bonds may be exposed to a risk of loss that is higher than the risk to which a bond with a higher credit rating is exposed.

Risk of using derivatives
The MASTER FUND may use Financial Contracts, including forward contracts, listed and OTC options and swaps. Exposure to such Financial Contracts may involve considerable risk. Since the amount of money required to establish a position in a Financial Contract may much less than the exposure obtained under the contract, each transaction involves "leverage". The market value of a Financial Contract is quite volatile and may therefore vary considerably. Contracts traded over the counter may also be less liquid than transactions on an organised market, where the volumes traded are generally quite higher, and the prices of these contracts may consequently be more volatile. These variations of value and price may therefore adversely affect the MASTER FUND's net asset value.

Counterparty risk
The MASTER FUND is particularly exposed to counterparty risk as a result of its use of over-the-counter derivatives contracts and efficient portfolio management transactions. It is exposed to the risk that a counterparty with which it has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. If the counterparty defaults, the Financial Contract may be terminated prematurely and the MASTER FUND may have to enter into another contract with a third-party counterparty, at the market conditions that prevail at that time. This risk could cause losses for the MASTER FUND and prevent it from achieving its investment objective. In compliance with the regulations that apply to FCP funds, exposure to counterparty risk may not exceed 10% of the fund's total assets per counterparty.

Collateral management risk
The counterparty risk arising from investments in OTC derivative financial instruments is generally mitigated by the transfer or pledging of collateral to the MASTER FUND. However, transactions may not be fully collateralised. Fees and returns to which the MASTER FUND is entitled may not be backed by collateral. If a counterparty defaults, the MASTER FUND may be obliged to sell non-cash collateral at the prevailing market price. In such a case, the MASTER FUND could incur a loss due to, inter alia, inadequate valuation or monitoring of the collateral, unfavourable market movements, a deterioration in the credit rating of the collateral issuer, or illiquidity in the market on which the collateral is traded. Difficulty in selling collateral may delay or restrict the MASTER FUND's ability to satisfy redemption orders.

Risk of exposure to emerging and developing markets
Exposure to emerging markets entails a greater risk of loss than does investment in developed markets, for example due to the higher volatility of emerging markets and the greater risk of economic and/or political instability.

Controversy risk

Companies that have met the Index selection criteria, and which have therefore been included in the Index, may be unexpectedly or suddenly affected by a serious controversial event that has an adverse impact on their market value and consequently on the MASTER FUND's performance. This can happen when a company's previously undiscovered activities or practices are suddenly brought to light, which may trigger negative investor sentiment and reduced market value. When such a company is a component of the Index, it may remain in the Index and therefore continue to be held by the MASTER FUND until the next scheduled rebalancing. When the Index excludes this company, the price of its securities may have already fallen and not yet recovered, and the MASTER FUND may therefore sell these securities at a relatively low price.

The limitations of the non-financial approach

The MASTER FUND's non-financial approach is largely based on third-party data which may be incomplete, inaccurate or unavailable from time to time. The Management Company is therefore dependent on the quality and reliability of this information. Investments in green bonds may also induce sector biases in the global bond market.

Sustainability risk
In order to manage the MASTER FUND's sustainability risks, the Management Company relies on the Index administrator, Solactive, which integrates sustainability risks via the Index methodology described above. This integration of these risks has a direct impact on the Index's investment universe. However, there is no absolute assurance that all sustainability risks will be eliminated, and the occurence of such risks may have an adverse impact on the value of the Index's underlying assets. More information on the Index methodology can be found at https//www.solactive.com.. Additional information may be also found in the "Sustainability Disclosures" section of the MASTER FUND's Prospectus.

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

The Sub-fund is open to all investors.

The Sub-fund is intended for investors who have relatively little aversion to risk. The level of risk exposure depends mainly on the market configurations of the asset classes and their prospective returns.

Investors should therefore note that the proportional exposure to the MASTER FUND's asset classes may vary considerably in accordance with their cycle of over- and under-valuation.

The amount that 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, and their cash requirements at present and for the next three years, as well as whether or not they wish to take risks or prefer a cautious investment approach.
Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this Sub-fund’s risks.

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least three years.

"U.S. Persons" (as this term is defined in the COMMERCIAL INFORMATION section below) are prohibited from investing in the Sub-fund.

CALCULATION AND APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Acc share class: all distributable amounts are accumulated.

DISTRIBUTION FREQUENCY

If the Management Company decides to distribute the distributable amounts, such distribution will be made after the close of the accounting period.
However, the Management Company may decide, during the year, to distribute one or more interim dividends.

SHARE CHARACTERISTICS

Units	**ISIN code**	**Allocation of distributable amounts**	**Currency**	**Eligible investors**	**Minimum subscription/redemption amount**
Acc	FR0014000W12	Accumulation	EUR	All investors	10 EUR

The Management Company and the funds it manages are exempted from the minimum initial subscription requirement. No minimum amount is required for subsequent subscriptions.

The Management Company reserves the right to accept a subscription for an amount that is less than the minimum subscription amount indicated in the table above.

Subscription orders may be placed for a specific monetary amount, for a whole number of units, or for thousandths of units.
Redemption orders may be placed for a specific monetary amount, for a whole number of units, or for thousandths of units.

CURRENCY

Euro

SUBSCRIPTION AND REDEMPTION

Order processing and execution

Subscription and redemption orders must be received and processed by the Depositary by 11: 00 am (Paris time) on a date that the net asset value is established to be executed at the net asset value of the following day (day D+1). Orders that are received after 11.00 am (Paris time) will be considered to be received the following Business Day (D+1) and will be executed at the net asset value of the following Business Day (D+2).

The minimum initial subscription amount is indicated in the KEY INFORMATION table. The minimum amount for subsequent subscriptions is one thousandth of a unit.

Orders will be executed as shown in the table below:

Day D:	Day D:	Day D+1: day that the NAV is established	D+2 business days (D+4 maximum)	D+3 business days (D+5 maximum)	D+5 business days[2]
Subscription orders are processed until 11:00 am[1]	Redemption orders are processed until 11:00 am[1]	Order are executed no later than day D+1	The net asset value is published	Subscriptions are settled	Redemptions are settled

1. Unless another cut-off time is agreed with your financial institution.
2. The settlement times indicated are maximums. Some transactions may be subject to shorter settlement times.

Address of the entity that receives subscription and redemption orders
Société Générale S.A. - 32, rue du Champ du Tir – 44000 Nantes – France

Subscriptions and redemptions in cash
Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement
Settlement/delivery of subscriptions and redemptions shall be completed within five French business days upon receipt of the subscription or redemption order.

Place and method of net asset value publication or communication
At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris – France.

Date and frequency of net asset value calculation
The net asset value is calculated daily. Although it must be calculated and published within four Business Days after the Net Asset Value Date, it will normally be calculated and published on the Business Day that follows each Net Asset Value Date and will reflect the Sub-fund's assets as of the Net Asset Value Date.
A "Business Day" is defined as a day that is not a public holiday in France, as defined in the French labour code, and a day on which the Euronext Paris exchange (or its successor) is normally open.

FEES AND CHARGES

SUBSCRIPTION AND REDEMPTION FEES

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price they receive. Fees kept by the Sub-fund compensate it for the expenses it incurs in investing in the Sub-fund's assets or in divesting these assets. Any remaining fees go to the Management Company, distributor, or other service provider.

THE SUB-FUND'S FEES

Fees paid by investors and deducted from subscriptions and redemptions	Base	Maximum charge
Subscription fee not kept by the Sub-fund	NAV per share × number of units	N/A
Subscription fee kept by the Sub-fund	NAV per share × number of units	2.00% (1)
Redemption fee not kept by the Sub-fund	NAV per share × number of units	N/A
Redemption fee kept by the Sub-fund	NAV per share × number of units	2.00% (1)

(4) The Management Company observes a policy of adjusting subscription and redemption fees to ensure that primary market makers bear portfolio Adjustment Costs when they place a cash order (see Section 4.2. above in the general section of this Prospectus). The method the Management Company uses to calculate the adjustable fees complies with the method described in the AFG charter available at http://www.afg.asso.fr/wp-content/uploads/2014/06/GuidePro_SwingPricing_2014_actualise_2016.pdf ;

THE MASTER FUND'S FEES

Fees paid by investors and deducted from subscriptions and redemptions	Base	Maximum charge
Subscription fee not kept by the MASTER FUND	NAV per share × number of shares	N/A
Subscription fee kept by the MASTER FUND	NAV per share × number of shares	Specific charges(2)
Redemption fee not kept by the MASTER FUND	NAV per share × number of shares	N/A
Redemption fee kept by the MASTER FUND	NAV per share × number of shares	Specific charges(2)

(2) The deduction of subscription and redemption fees kept by the MASTER FUND is described in detail in section IV of the MASTER FUND's prospectus entitled "Investing in the Company in the Primary Market".

OPERATIONAL AND MANAGEMENT FEES

These fees include expenses that are charged directly to the Sub-fund, except for transaction expenses. Transaction expenses include intermediary fees (brokerage, stock market taxes etc.) and any transaction fee that may be charged, usually by the depositary or the Management Company.

For this Sub-fund the following fees may be charged in addition to the operating and management fees (see table below):
- incentive fees, which the Sub-fund pays to the Management Company when the Sub-fund exceeds its objectives
- account activity charges, which are charged to the Sub-fund.

For more information on the fees or expenses that are charged to the Sub-fund, see the Fees and Charges section of the Key Investor Information Document (KIID).

Fees charged to the SUB-FUND	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net assets	0.45% incl. tax per annum
Maximum indirect management fees (management fees and charges) (2)	Net assets	0.4% incl. tax per annum
Incentive fee	Net assets	N/A
Account activity charge	Charged on each transaction	N/A

(1) includes all fees and charges except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds.
(2) includes the maximum indirect management fees (i.e. management fees and charges) charged to the MASTER FUND.

Fees charged to the MASTER FUND	Base	Maximum charge
Asset management fees and administration fees that are external to the Management Company (auditor, depositary, fund distribution and legal fees) including tax(1)	Net assets	0.4% incl. tax per annum
Maximum indirect management fees (management fees and charges)	Net assets	N/A
Incentive fee	Net assets	N/A
Account activity charge:	Charged on each transaction	N/A

(1) Includes all fees and expenses except for transaction expenses, incentive fees and fees associated with investment in UCITS or alternative investment funds.

COMMERCIAL INFORMATION

The dissemination of this prospectus, as may be amended, and the marketing or purchase of the Sub-fund's shares may be prohibited or restricted in some countries. People who receive this Prospectus, and/or more generally any document or other information concerning the Sub-fund, must comply with all the restrictions that are applicable in their country. The marketing, sale or purchase of shares in the Sub-fund, and the dissemination or possession of this prospectus and/or of any information or document concerning the Sub-fund, must comply with the laws and regulations in effect in the country or countries where the Sub-fund's shares are marketed, sold or purchased, or in which the prospectus and/or any information or document concerning the Sub-fund is disseminated or held, including inter alia the requirement to obtain any statutory or regulatory permission or authorisation, to comply with any formal requirement, and to pay any tax or duty that may be required in the relevant country.

No one is authorised to provide information on the offering or purchase of shares in the Sub-fund that is different from the information that is provided in the prospectus. If such information has been provided, the Sub-fund's management company shall not take it into account. You must make sure that the prospectus you have received is the most recent version available. The dissemination of this prospectus and the distribution of shares in the Sub-fund, pursuant to the term and conditions presented below, is no assurance that the Sub-fund's characteristics have not been modified since the date of the prospectus's publication.

Potential subscribers of shares in the Sub-fund should inform themselves of the legal requirements that apply to such subscription and of the rules that govern exchange controls and taxation in their country of citizenship or residency or the country in which they are domiciled.

U.S. regulatory requirements that apply to the Sub-fund

This prospectus, along with any other information or document in relation to the Sub-fund, does not constitute an offer or a solicitation to sell shares in the Sub-fund, in any country in which such offer or solicitation is not authorised or to anyone to whom it would be illegal to make such an offer or solicitation.

A person who receives, within his/her/its country, a copy of this prospectus may not consider it to be an offer or an invitation to treat, unless in said country such an offer or invitation to treat is not subject to any legal requirement, such as a registration requirement. A person who wishes to acquire rights in or to subscribe or redeem shares in the Sub-fund pursuant to the terms and conditions of the prospectus must comply with the laws of his/her/its country, with any authorisation that may be required from a government or other entity, with any other formality, and pay any tax or duty that may be required in said country.

U.S. regulatory requirements that apply to the Sub-fund

The Sub-fund's shares have not, are not and will not be subject to the registration requirements of the Securities Act of 1933 of the United States of America (as amended) (the "U.S. Securities Act") or to the registration requirements of the "securities laws" of any State of the United States of America. The Sub-fund's shares may not be offered or sold, either directly or indirectly, in the United States of America or in any of its territories or possessions, to one of its States or to the District de Columbia (the "United States"), or to a U.S. Person (as this term is defined below), or on their or its behalf. A person who would like to acquire shares in the Sub-fund must state that he/she/it is not a U.S. Person within the meaning of the "Volcker Rule" (which is defined below). No federal or State authority of the United States has reviewed or approved this prospectus or any other document in relation to the Sub-fund. Pursuant to U.S. law, any affirmation to the contrary would be a criminal offense.

Pursuant to Regulation S of the U.S. Securities Act, the Sub-fund's shares may only be offered or sold outside of the United States.

The Sub-fund's shareholders are not authorised to sell, transfer or attribute, either directly or indirectly (for example, via a swap or other financial contract, shareholders agreement or similar contract) their shares to a U.S. Person.. Such sale, attribution or transfer shall be considered to be void.

The Sub-fund shall not be subject to the registration requirements of the United States Investment Company Act of 1940 (as amended) (the **"Investment Company Act**"). Upon examination of the Investment Company Act, the members of the United States Securities Commission on Foreign Investment Companies have confirmed that a sub-fund of a SICAV investment fund is not subject to such registration requirements if the number of its U.S. Person shareholders does not exceed a certain limit and if no offer of shares is made to the public. To ensure that the Sub-fund will not be subject to the registration requirements of the Investment Company Act, the Management Company may redeem any shares in the Sub-fund that are held by a U.S. Person.

PURSUANT TO THE EXEMPTION UNDER ARTICLE 4.13(a)(3) OF THE REGULATION OF THE COMMODITY FUTURES TRADING COMMISSION OF THE UNITED STATES OF AMERICA ("CFCT"), THE SUB-FUND'S MANAGEMENT COMPANY HAS NO OBLIGATION TO REGISTER WITH THE CFCT AS THE SUB-FUND'S "COMMODITY POOL OPERATOR" ("CPO"). THE SUB-FUND'S MANAGEMENT COMPANY HAS FILED AN EXEMPTION NOTICE WHICH EXEMPTS IT FROM THE REGISTRATION OBLIGATION AND BY VIRTUE OF WHICH IT AGREES TO OBSERVE THE REQUIREMENTS OF THIS EXEMPTION, WHICH AMONG OTHER THINGS INCLUDE OBSERVING THE TRANSACTION LIMITS OF CERTAIN DERIVATIVE FINANCIAL INSTRUMENTS ENTERED INTO BY THE SUB-FUND, AND ENSURING THAT ALL INVESTORS ARE ELIGIBLE PARTICIPANTS, AS SPECIFIED IN THE CFCT'S REGULATION. THIS REGULATION ALSO STIPULATES THAT THE SUB-FUND'S UNITS SHALL NOT BE SUBJECT TO REGISTRATION PURSUANT TO THE U.S. SECURITIES ACT OF 1933 AND THAT THEY MAY BE OFFERED OR SOLD WITHOUT SOLICITATION TO THE PUBLIC IN THE UNITED STATES OF AMERICA. THEREFORE, UNLIKE A CPO REGISTERED WITH THE CFCT, THE SUB-FUND'S MANAGEMENT COMPANY IS NOT OBLIGATED TO PROVIDE PROSPECTIVE INVESTORS WITH A DOCUMENT THAT COMPLIES WITH THE CFCT'S STANDARDS, NOR TO PROVIDE THE SUB-FUND'S INVESTORS WITH ANNUAL REPORTS THAT ARE CERTIFIED PURSUANT TO THE STANDARDS OF THE CFCT REGULATION THAT APPLY TO REGISTERED CPO. THE SUB-FUND'S MANAGEMENT COMPANY WILL HOWEVER PROVIDE THIS PROSPECTUS TO PROSPECTIVE INVESTORS. THIS PROSPECTUS HAS NOT BEEN REVIEWED OR APPROVED BY THE CFCT.

The Volcker Rule

Certain provisions of the laws and regulations of the United States of America apply to Crédit Agricole, to the Sub-fund and to its shareholders. On 21 July 2010, President Barack Obama enacted the Dodd-Franck Act. Article 619 of the Dodd-Franck Act and its implementation rules (commonly referred to as the "Volcker Rule") restrict the capacity of a banking entity, such as most of the entities of the Crédit Agricole group, to acquire or hold shares or units or any other form of equity in a covered fund or to promote (which includes acting as a commodity pool operator) a covered fund (which term includes certain alternative investment and private equity funds). Notwithstanding this, the Volcker Rule allows non-U.S. banking entities to acquire, hold and promote undertakings for collective investment (UCI) that are not offered for sale in the United States and which meet certain conditions (such UCI being referred to as "foreign excluded funds"). In order for a CIU to be considered a foreign excluded fund, it must meet the following conditions: (1) the banking entity must not be an entity of the United States of America; (2) the CIU must be domiciled outside of the United States of America and its units or shares must be offered and sold only outside of the United States of America; and (3) the CIU must either not be a commodity pool as this term is defined in the U.S. Commodity Exchange Act, or if it is a commodity pool, there must not be a commodity pool operator that is subject to or which may be subject to rule CFTC 4.7 such as exemption from some obligations under the U.S. Commodity Exchange Act.

The Volcker Rule came into effect on 21 July 2012. All banking entities, subject to certain exemptions, have an obligation to bring their activities and investments into compliance with the Volcker Rule before the end of the compliance period, i.e. no later than 21 July 2015. The US Federal Reserve Board has decided to extend the compliance period until 21 July 2017 for collective investment undertakings formed prior to January 1st 2014.

Sub-fund shareholders which are themselves banking entities subject to the Volcker Rule under certain circumstances may be prevented by the restrictions of the Volcker Rule from acquiring or holding units in the Sub-fund. An investment fund that is neither promoted or managed by the Management Company (or by any other entity of Crédit Agricole group) may not be subject to these provisions.

The Management Company and its Affiliated Entities provide no assurance to shareholders as to how the Sub-fund may be classified under the Volcker Rule. The Sub-fund's shareholders must rely on their own legal advisors as to the possible effects of the Volcker Rule on the purchase of units in the Sub-fund.

A "U.S. Person" is defined to be (A) a United States Person as defined under Regulation S of the Securities Act of 1933 of the United States of America, and/or (B) someone who is not a Non-United States Person as defined under Section 4.7(a)(1)(iv) of the rules issued by the U.S. Commodity Futures Trading Commission, and/or (C) a U.S. Person as defined in Section 7701 (a)(30) of the Internal Revenue Code of 1986 (as amended).

An "Affiliated Entity" is defined to be, with respect to a given entity, another company that controls, or is controlled by, or is under joint control along with this given entity, pursuant to the terms and conditions of the United States Bank Holding Act of 1956.

Dodd-Frank Act: The United States Dodd Franck Wall Street Reform and Consumer Protection Act.

The Crédit Agricole group: Crédit Agricole S.A. and its subsidiaries, Affiliated Entities and/or Associates.

Crédit Agricole S.A. or Crédit Agricole: A French bank and a Société Anonyme company registered in France and which has its registered office at 12, place des Etats-Unis, 92127 Montrouge Cedex, France.

The Volcker Rule: Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (including any implementation rules).

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 91-93, boulevard Pasteur, 75015 Paris - France.

The Sub-fund's net asset value will be calculated and published every Business Day.

ADDITIONAL INFORMATION

The Sub-fund's shares are approved for clearing by Euroclear France S.A.
Subscription and redemption orders are sent by the investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

Summary of the internal rules observed by the Management Company in respect of MASTER FUNDs and Feeder Funds

The Management Company has implemented internal rules to ensure compliance with the provisions of Article 411-87 et sec of the AMF's General Regulations in respect of the management of the MASTER FUND and of the Feeder Fund (the "**Internal Procedure**"). The Management Company ensures that the Internal Procedure is observed by all staff members involved in the structuring, documentation, management and functioning of the MASTER FUND and by all staff members who have the same responsibilities vis-à-vis the Feeder Fund. These obligations include timely communication of the following information between the two funds:

- Regulatory documents that apply to MASTER FUNDs and Feeder Funds and any amendments thereto
- The Feeder Fund's subscriptions and redemptions of the MASTER FUND's units
- Prior notification of the suspension or resumption of subscriptions and redemptions
- Prior notification of any modification or correction of price by the MASTER FUND
- Information in respect of audit reports, standing arrangements or other substantial arrangements, or any modifications thereto
- On the handling of customer complaints
- On the management of potential conflicts of interest pursuant to the Management Company's policy for managing conflicts of interest.

The MASTER FUND's prospectus, the Key Investor Information Document and and a complete version of the Internal Procedure may be obtained from:
LYXOR ASSET MANAGEMENT
91-93 boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor Asset Management on its website at www.lyxorfunds.com.

The Multi Units France prospectus fund, the Key Investor Information Document and the most recent annual reports will be sent to investors within eight business days upon written request to:
LYXOR INTERNATIONAL ASSET MANAGEMENT
91-93 boulevard Pasteur, 75015 Paris – France.
E-mail: contact@lyxor.com
More information can also be requested from Lyxor International Asset Management on its website at www.lyxorfunds.com.

Prospectus publication date: see the "Publication Date" section

The Management Company has procedures to identify and reduce conflicts of interests and to resolve them equitably if necessary. http: A summary of the Management Company's policy for handling conflicts of interests is available on its website at http://www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/ //www.lyxor.com/fr/nous-connaitre/mentions-reglementaires/

Pursuant to Article L.533-22-1 of the French monetary and financial code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the Management Company's website and in the Multi Units France annual report.

The Management Company's policy for exercising the voting rights attached to the securities held by the Sub-fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at http://www.lyxor.com.

Investors may request information from the Management Company on the exercise of voting rights on each resolution presented at a given issuer's shareholders meeting provided that the proportion of securities held by the Management Company's funds has reached the level specified in its voting policy. If the Management Company fails to respond to a request for this information within one month it may be deemed that the Management Company has voted in compliance with the principles of its voting policy.

The AMF's website (www.amf-france.org) provides additional information on the list of regulatory documents and on all provisions relating to investor protection.

This Prospectus must be made available to investors prior to subscription.
Before making an investment in this Fund or Sub-fund, investors should seek the advice of their financial, tax and/or legal advisers.

Taxonomy Regulation

The Sub-fund promotes environmental and/or social characteristics, pursuant to Article 6 of the Taxonomy Regulation.

The European Union's Taxonomy Regulation aims to identify economic activities that are considered environmentally sustainable ("**Sustainable Activities**").

The Taxonomy Regulation identifies these activities according to their contribution to six main environmental objectives: (i) climate change mitigation, (ii) climate change adaptation, (iii) sustainable use and protection of water and marine resources, (iv) transition to the circular economy (waste, prevention and recycling), (v) pollution prevention and control, and (vi) protection of healthy ecosystems.

To be considered sustainable, an economic activity must demonstrate that it makes a substantial contribution to one or more of the six objectives, that it does not cause significant harm to any of these objectives (the so-called "DNSH" principle, "Do No Significant Harm") and that it is carried out in compliance with the minimum safeguards set out in Article 18 of the Taxonomy Regulation. The DNSH principle only applies to investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The Sub-fund may invest partially in economic activities that contribute to the following environmental objectives: climate change mitigation and climate change adaptation.

While the Sub-Fund may already hold investments in Sustainable Activities without being committed to a minimum share of investment, the Management Company shall use its best endeavours to ensure that this minimum share of the investments underlying the financial product made in Sustainable Activities is available as soon as reasonably practicable after the entry into force of the Regulatory Technical Standards with regards to the content and presentation of disclosures pursuant to Article 8(4), 9(6) and 11(5) of Regulation (EU) 2019/2088 as amended by the Taxonomy Regulation.
As data becomes available and calculation methodologies are developed, the description of the extent to which the underlying investments are made in Sustainable Activities will be made available to investors. This information, together with information on the proportion of enabling and transitional activities, will be included in a future version of the prospectus.

This commitment will be achieved in a progressive and ongoing manner, by engaging in discussions with the Benchmark administrator to incorporate the requirements of the Taxonomy Regulation into the Benchmark methodology as soon as reasonably possible. This will result in a minimum degree of alignment of the portfolio with Sustainable Activities which will be made available to investors at that time.

In the meantime, the degree of the portfolio's alignment with Sustainable Activities will not be available to investors.

If you have any questions, please contact the Management Company at the address below: client-services-etf@lyxor.com.

The Management Company draws investors' attention to the fact that the investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

INVESTMENT RULES

The exact composition of the Benchmark Index and the rules for its revision are available on the index provider's website at https:
In accordance with Article R214-31-1 of the French Monetary and Financial Code, the Sub-fund may invest up to 100% of its assets in units or shares of the MASTER FUND.

OVERALL RISK EXPOSURE

The commitment approach is used to calculate the overall risk exposure

ASSET VALUATION AND ACCOUNTING RULES

A. Valuation rules

The Sub-fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2014-01 of 14 January 2014 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for undertakings for collective investment in transferable securities.

Financial instruments traded on a regulated market are valued at the closing price recorded on the day prior to the calculation of the net asset value. If these financial instruments are traded on several regulated markets at the same time, the closing price used is that recorded on the regulated market on which they are principally traded.

However, in the absence of significant trading on a regulated market, the following financial instruments are valued using the following methods:

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the Management Company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Forward contracts and over-the-counter options are valued at the price quoted by the counterparty. The Management Company monitors these prices independently.
- Bank deposits are valued at their nominal value plus accrued interest.
- Warrants, short and medium-term notes (bons de caisse), promissory notes and mortgage notes are valued under the Management Company's responsibility at their most likely trading value.
- Securities financing transactions are valued at the market price.

- Shares and units in UCITS under French law are valued at the last known net asset value on the day the Sub-fund's net asset value is calculated.
- Shares and units in foreign investment funds are valued at the last known unitary net asset value at the date the Sub-fund's net asset value is calculated.
- Financial instruments traded on a regulated market and for which no price has been quoted or whose price has been corrected, are valued under the Management Company's responsibility at their most likely trading value.
- The exchange rates used to value financial instruments denominated in a currency other than the Sub-fund's base currency are the WM Reuters fixing rates published on the day the Sub-fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are excluded from the initial cost of transactions.

C. Accounting method for income from fixed-income securities

Income from fixed-income securities is recognised on a cash basis.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts".

E. ACCOUNTING CURRENCY

The Sub-fund's accounts are kept in euros.

MULTI UNITS FRANCE

ARTICLES OF ASSOCIATION OF THE MULTI UNITS FRANCE FUND

A SICAV FUND COMPLIANT WITH EUROPEAN STANDARDS

NAME: MULTI UNITS FRANCE.
Legal Form = Société d'Investissement à Capital Variable (SICAV) incorporated in the form of a Société Anonyme (SA)
Head office address: 91-93 boulevard Pasteur, 75015 Paris, FRANCE.
Trade and Commercial Registry: N° 441 298 163 NANTERRE.

TITLE 1

FORM, PURPOSE, NAME, REGISTERED OFFICE, DURATION

ARTICLE 1 - FORM

It is established, between the holders of the shares created below and those that will subsequently created, a *Société d'Investissement à Capital Variable* ("SICAV"), a French registered investment company with variable capital, operating under French law, established in France, that is notably governed by the provisions of the Commercial Code relative to Sociétés anonymes (Book II – Title II – Chapter V), the Monetary and Financial Code (Book II – Title 1 – Chapter IV -Section I - sub - section I), its application texts, the subsequent texts and by the present articles of incorporation.

In compliance with article L 214-33 of the Monetary and Financial Code, the Sub-fund consists of a certain number of Sub-funds. Each Sub-fund shall give rise to the issuance of a one or several share classes representing those assets of the Sub-fund attributed to the respective Sub-fund.

ARTICLE 2 - PURPOSE

The purpose of this company is the establishment and management of a portfolio of financial instruments and deposits.

Within the limits of the applicable regulations, the Sub-fund can carry out operations on regulated firm or conditional future markets (French or foreign) or over-the-counter markets in order to hedge its portfolio or to expose it to business sectors, rates, indices, equities or similar securities in order to attain its management objective and/or to have some of its Sub-funds benefit from the guarantee as defined in the prospectus mentioned in article 23 of the present articles of incorporation. These operations will be carried out up to a maximum commitment limit of one time the Sub-fund's assets. Within this framework, the Sub-fund can also establish positions in order to hedge the currency risk of its portfolio.

ARTICLE 3 - NAME

The Company is called: MULTI UNITS FRANCE, followed by the indication "Société d'Investissement à Capital Variable", accompanied or not by the term "SICAV".

ARTICLE 4 – REGISTERED OFFICE

The registered office is located at 91-93 boulevard Pasteur, 75015 Paris, FRANCE.

ARTICLE 5 – DURATION

The duration of the Company is 99 years as at its registration with the register of companies, except in the case of early dissolution or extension as indicated in the present articles of association.

TITLE 2

CAPITAL, CHANGES IN CAPITAL, CHARACTERISTICS OF SHARES

ARTICLE 6 – SHARE CAPITAL

The initial capital amounts to EUR 8 million (eight million euros), i.e. the equivalent of fifty-two million four hundred seventy-six thousand five hundred and sixty francs, divided into 80,000 shares, entirely paid up.

It was established exclusively by payments in cash.

Classes of shares shall be issued to represent the assets attributed to each Sub-fund. The provisions hereof applicable to shares are applicable to such categories of shares.

The shares do not grant their holders any direct right to the assets of the Sub-funds.

The shares can be grouped or divided upon proposal from the board of directors and decision by the extraordinary general assembly.

The shares can be fractioned, by decision of the board of directors, into 10ths, 100ths, 1000ths, 10,000ths, or 100,000ths, known as share fractions.

The provisions of the articles governing the issue and redemption of shares are applicable to the share fractions, the value of which will always be proportional with that of the share that they represent. All other provisions relating to shares shall apply *mutatis mutandis* to fractional shares unless otherwise provided.

An asset ceiling (in amount of assets or number of shares) can be established for certain guaranteed classified Sub-funds of the Sub-fund, and will be indicated in the prospectus.

The shares representing the Company's capital can be full distribution shares, accumulation and/or distribution shares or full accumulation shares. Full distribution shares and accumulation and/or distribution shares Full distribution shares, accumulation and/or distribution shares entail a right to the payment of dividends according to the provisions contained in article 27 of the present articles of association. Any dividend payment will result in an increase of the ratio between the net asset value of the Accumulation shares and those of the distribution shares. At any time, any shareholder can carry out an exchange between full distribution shares, accumulation and/or distribution shares or full accumulation shares and vice-versa, according to the parity P defined by the board of directors. Shareholders who would not receive, due to the exchange parity, a whole number of shares can, if they desire, pay a supplement in cash as required for the allocation of an additional share.

During these operations, the Sub-fund shall not apply the subscription and redemption fees payable to it.

The board of directors determines the calculation conditions of the net asset values of the full distribution shares, accumulation and/or distribution shares or full accumulation shares. They are brought to the attention of the shareholders in the appendix to the annual accounts.

ARTICLE 7 – CHANGES IN CAPITAL

The capital amount is subject to change resulting from the Company's issuing of new shares and from decreases after the redemption of shares by the Company to shareholders who so request.

At all times, the capital amount is equal to the sum of the net assets of the Company's Sub-funds, including accumulated amounts, less the sum distributable within Sub-funds, in compliance with the provisions of article 27.

ARTICLE 8 – CREATION, MODIFICATION, LIQUIDATION OF A SUB-FUND – CREATION, LIQUIDATION OF SHARE CLASSES - ISSUE, REDEMPTION OF SHARES

8. 1 Creation, modification and Liquidation of a Sub-fund

The Board of Directors is the only body entitled to create, modify or liquidate a Sub-fund of the Sub-fund.

If the fund is an ETF, the suspension of subscription and redemption orders in the primary market and of orders to purchase or sell units in the secondary market may not be immediately subsequent to the notification of suspension to the shareholders, but several business days before the merger of the absorbed ETF. The notification letter sent to the shareholders will indicate the terms and conditions and the timetable of the fund's merger.

8. 2. Creation and liquidation of share classes

The Board of Directors is the only body entitled to create or liquidate share classes.

8. 3 Issue and redemption of shares

The issue price and the redemption price are equal to the net asset value obtained by dividing the Sub-fund's net assets by the number of shares, increased or decreased by a subscription or redemption fee as indicated in the prospectus mentioned in article 23 of the present articles of association.

The board of directors sets the minimum subscription conditions (subscription units) and the redemption conditions (redemption units), which are mentioned in the prospectus.

Redemptions and subscriptions will be carried out in accordance with the terns conditions set out in the prospectus.

Any subscription of new shares must, on pain of nullity, be entirely paid up and the issued shares include usufruct on the same date as the shares existing on the day of issue.

Any redemption request must be accompanied by the deposit of the shares and share fractions, the payment of the redemption price is carried out within a maximum of five trading days following the redemption request, subject to the exceptions listed below and the provisions relating to registered shares and share fractions.

In the absence of contrary legal provisions, the disposal or transfer of shares between shareholders or benefiting a third party carried out outside of a regulated market, is considered to be a redemption followed by a subscription. When the operation involves a third party, the disposal or transfer amount must, where appropriate, be completed in cash by the beneficiary in order to attain at least the minimum subscription required by the prospectus.

In accordance with article L. 214-19 of the Monetary and Financial Code, the redemption by the Company of its shares and share fractions, as well as the issue of new shares and share fractions, can be temporarily suspended by the board of directors, when compelled by exceptional circumstances and if required in the interests of the shareholders.

When the net assets of the Sub-fund (or where applicable a Sub-fund) fall below the amount stipulated by the regulations, no redemption of shares or share fractions can be carried out (for the relevant Sub-fund).

Pursuant to Articles L.214-7-4 of the French monetary and civil code and 411-20-1 of the AMF's General Regulations, in the event of exceptional circumstances the Management Company may decide to suspend redemptions when a specified limit or "cap" is reached, if it believes that this is in the best interests of shareholders or the general public.
Redemptions for a given Sub-fund may be suspended when their amount, net of subscriptions, on a given order processing date exceeds 10% of the Sub-fund's net assets. This limit is based on the Sub-fund's most recent net asset value, which the Management Company may estimate if necessary on the corresponding Primary Market Day.
If the Management Company decides to suspend redemptions, the fraction of redemption orders above the cap that is not executed will be automatically deferred and will be treated as a redemption order to be executed at the next net asset value.
Shareholders whose redemptions orders have been partially deferred may have the Depositary cancel the deferred execution of the unexecuted fraction of their orders up until the time limit indicated in the section entitled "Subscription and Redemption on the Primary Market" for the relevant Sub-fund.

The maximum number of net asset values for which the Management Company may cap redemptions is 20 over a period of three months.
So-called "round-trip" trades, where a shareholder or beneficial owner subscribes and redeems the same number of shares at the same net asset value, will not be subject to the cap on redemptions.

Pursuant to the third paragraph of Article L.214-7-4 of the French monetary and financial code, the Sub-fund may stop issuing units, either temporarily or definitively and in whole or in part, in situations that objectively require subscriptions to be suspended, such as the reaching of a maximum number of shares issued or a maximum amount of assets, or the expiration of a pre-determined subscription period. Shareholders will be notified of any suspension of subscriptions using any appropriate means and will be informed of the objective situation and threshold limit that resulted in the decision to partially or completely suspend subscriptions. If subscriptions are partially suspended, the aforementioned notification must explicitly indicate the terms and condition under which the shareholders may continue to subscribe for units throughout the partial suspension period. Shareholders shall also be informed using any appropriate means of any decision by the Sub-fund or the Management Company to either terminate the partial or total suspension of subscriptions (when the suspension trigger threshold is no longer exceeded), or to maintain the suspension of subscriptions (if the threshold or the objective situation that resulted in the suspension is modified). Such modification of the objective situation or of the suspension trigger threshold must always be made in the interest of shareholders. The aforementioned notification must indicate the precise reasons for such modifications.

ARTICLE 9 - CALCULATION OF NET ASSET VALUE

The calculation of the share's net asset value is carried out each day (except on public holidays as defined in the prospectus mentioned in article 23 of the present articles of association), while taking into account the assessment rules stipulated below:

- The securities traded on a French or foreign regulated market are assessed at the market price. The assessment of the reference market price is made according to the provisions decreed by the board of directors. The manner in which these rules shall be applied is specified in the notes to the annual accounts.

However:

. The securities for which the price was not determined on the assessment date or for which the price has been corrected are assessed at their probable trading value under the responsibility of the board of directors. These assessments and their justification are provided to the auditor at the time of the latter's verifications.

. Securities involving debt securities and other securities that are not the subject of significant transactions are assessed by application of an actuarial method, with the adopted rate being that of the issues of equivalent securities affected, as relevant, by a difference that is representative of the intrinsic characteristics of the security's issuer. However, negotiable debt instruments with a remaining maturity of less than three months may, in the absence of special considerations, be evaluated by reference to the straight-line method. The terms of application for these rules are set by the board of directors. They are specified in the notes to the annual accounts.

- The units or shares of UCITS are assessed at the last known net asset value.

- Securities that are not traded on a regulated market are assessed at their probable trading value, under the responsibility of the board of directors.

- Securities that are the subject of temporary transfer or acquisition contracts are assessed in compliance with the applicable regulations, with the terms of application being determined by the board of directors and stipulated in the appendix to the annual accounts.

- The operations relating to firm or conditional forward financial instruments traded on French or foreign organised markets are valued at the market value according to the provisions determined by the board of directors. They are specified in the notes to the annual accounts.

- The operations relating to firm or conditional forward financial instruments traded on French or foreign organised markets are valued at the market value according to the provisions determined by the board of directors. They are specified in the notes to the annual accounts.

Moreover, an instantaneous indicative net asset value will be calculated by the market undertaking if the Sub-funds are accepted for trading and listing.

Contributions in kind may only be in the form of securities or contracts eligible as component assets of the UCITS; they are valued in accordance with the valuation rules applying to the calculation of the net asset value.

ARTICLE 10 – FORM OF THE SHARES

Shares may be in either bearer or registered form at the subscriber’s option.

In accordance with article L. 211-4 of the Monetary and Financial Code and its implementation legislation, securities must be listed in accounts held, as relevant, by the issuer or an authorised intermediary.

The rights of shareholders shall be represented by an inscription in their name in a register:

- held by an intermediary of their choice, for securities held by the shareholder;
- with the issuer, and if they so desire, with the intermediary of their choice for registered shares.

In exchange for payment at its expense, the Company can request the names, nationalities and addresses of the Sub-fund’s shareholders, as well as the quantity of shares held by each of them, in accordance with article L 211-5 of the Monetary and Financial Code.

ARTICLE 11 – ADMISSION TO TRADING ON A REGULATED MARKET

The shares may be listed for trading on a regulated market in accordance with applicable regulations.

In this case, it should be noted that the Sub-fund must implement means to ensure that its share price does not deviate from its net asset value by more than 1. 5%.

ARTICLE 12 – RIGHTS AND OBLIGATIONS ATTACHED TO THE SHARES

Each share confers a right to an interest in the ownership of corporate assets and the sharing of profits, proportional to the fraction of capital represented thereby.

The rights and obligations conferred by the share run with the security, regardless of the holder.

Whenever it is necessary to hold several shares in order to exercise a given right, and particularly in the case of exchange or grouping, the holders of single shares or of less than the necessary number of shares cannot exercise such rights unless they arrange to group their shares with others or arrange the purchase or sale of the necessary number of shares.

ARTICLE 13 - INDIVISIBILITY OF THE SHARES

All undivided holders of a share or eligible parties are required to be represented to the Company by a single person appointed by agreement between them, or, failing that, by the president of the commercial court with jurisdiction over the site of the head office.

The owners of share fractions can group together. In such a case, they must be represented in the manner set forth in the previous paragraph, i.e.by a single person who shall exercise, for each group, the rights conferred by the ownership of one whole share.

In the absence of a contrary agreement declared to the Company, the voting right belongs to the usufructuary during ordinary general meetings and to the bare owner during extraordinary general meetings.

TITLE 3

ADMINISTRATION AND MANAGEMENT OF THE COMPANY

ARTICLE 14 - ADMINISTRATION

The Company is administered by a board of directors consisting of at least three and at most eighteen members, appointed by the ordinary general meeting.

Subject to international conventions, the chairman of the board of directors and, where appropriate, the board member temporarily appointed to carry out all or parts of the chairman's duties, the delegated managing director and at least 2/3 of the board members must be French or citizens of the European Union.

During the life of the Company, the directors shall be appointed or reappointed to their offices by the ordinary general meeting of the shareholders.

The directors can be natural persons or legal entities. The latter must, at the time of their appointment, designate a permanent representative who is subject to the same conditions and obligations and who incurs the same civil and penal liabilities as though this person were a member of the board of directors in his/her own right, without prejudice to the liability of the legal person that he/she represents. His term of office as permanent representative shall have the same duration as that of the legal entity that he represents.

If the legal entity revokes the representative's mandate, it must forthwith declare this revocation to the Sub-fund by registered mail, together with the identity of its new permanent representative. The same rule shall apply in case of death, resignation or protracted impediment of the permanent representative.

ARTICLE 15 - DURATION OF THE TERMS OF THE BOARD MEMBERS – RENEWAL OF THE BOARD

Subject to the provisions of the following paragraph, the terms of the board members shall be for three years for the first board members and a maximum of six years for the following board members, with each year consisting of the interval between two consecutive annual general meetings.

Should one or more board member position(s) become vacant between two general meetings, due to death or resignation, the board of directors can carry out one or more temporary appointment(s).

A board member appointed by the board as a temporary replacement for another member who has died, been dismissed or resigned either automatically or by request, only remains on the board for the time remaining in his/her predecessor's term.

Appointments of members by the board of directors are subject to ratification by the next ordinary general meeting. Should this ratification be refused, the deliberations undertaken and the actions carried out beforehand remain valid.

The directors may be re-elected. They may be dismissed at any time by the ordinary general meeting of the shareholders.

The term of each member of the board of directors is terminated at the end of the annual general meeting of the shareholders that voted on the Accounts of the past financial year and held in the year in which the member's mandate would expire, with the understanding that, if no ordinary general meeting is held during the said year, the term of the member in question ends on 31 December of that same year, though the above is subject to the following exceptions.

Any board member can be appointed for a term that is less than six years when this is necessary in order for the renewal of the board to remain as regular as possible and within each six-year period. This shall apply, in particular, if the number of directors is increased or decreased to the point of affecting the regularity of the renewal.

Should the number of members of the board of directors fall below the legal minimum, the remaining member(s), or failing that the Auditors, must immediately call an ordinary general meeting of the shareholders in order to make up the board's size.

ARTICLE 16 - EXECUTIVE COMMITTEE

From amongst its members, for the duration that it determines but which cannot exceed that of the board member's term, the board elects a chairman who must necessarily be a natural person.

The chairman of the board of directors represents the board of directors. He organises and directs the work of the board and reports back to the general meeting. He ensures the management bodies of the company operate smoothly and ensures, in particular, that the directors are able to accomplish their duties.

If considered useful, it also appoints a deputy chairman and it can also choose a secretary that is not a member.

In case of temporary impediment or death of the chairman, the deputy chairman presides over the board meeting. Failing that, the board will appoint a meeting chairman from amongst its members.

The chairman, deputy chairman and secretary can always be re-elected.

ARTICLE 17 - BOARD MEETINGS AND DELIBERATIONS

The board of directors meets when called by the chairman, as often as required in the Company's interests, either at the head office or at any other location indicated in the meeting notice. The invitations can be made by any means.

If the board has not met for over two months, at least one third of its members can call a meeting of the board to deliberate a particular agenda.

The presence of no fewer than one-half of the members of the Board of Directors is necessary in order for deliberations to be valid. Decisions shall be taken by majority vote of the members present or represented.

By letter or telegram, a board member can give another board member a proxy to represent him/her during a board meeting. During a given board meeting, each board member can only have one proxy.

Each Director shall have one vote. In case of a tie vote, the chairman's vote shall decide.

ARTICLE 18 - MINUTES

The minutes are drawn up and the copies or extracts of the deliberations are issued and certified in accordance with the law.

ARTICLE 19 – POWERS OF THE BOARD OF DIRECTORS

The board of directors determines the company's business strategy and oversees its implementation. It examines any and all matters within the Company's object and which concern the efficient running of the business and which are not expressly decided by shareholders at shareholder meetings, and makes any and all business decisions within its remit

The board of directors has the broadest possible powers in order to act, in all circumstances, in the name of the Company; it exercises these powers within the limits of the Company's corporate purpose and subject to the powers expressly attributed by law to the meetings of the shareholders.

ARTICLE 20 – GENERAL MANAGEMENT

The general management of the Company is taken on, under his/her responsibility, either by the chairman of the board of directors or by another natural person appointed by the board of directors and bearing the title of managing director.

The choice between two ways of conducting the general management is taken subject to the conditions set by under these Articles by the board of directors for a term expiring when the term of current chairman of the board of directors expires. The shareholders and third parties will be notified of the choice in accordance with the conditions set according to the prevailing statutory and regulatory provisions.

Depending on the choice made by the board of directors in accordance with clause above, the general management will be assured, either by the chairman or by a managing director. If the board of directors chooses to separate the functions of chairman and managing director, it will appoint a managing director and fix the term of his mandate. If the chairman of the board of directors is responsible for the general management of the company, the following provisions applying to the managing director also apply to the chairman.

Subject to the powers that the law expressly attributes to the meetings of shareholders, to the powers that it specially reserves for the board of directors, and within the limits of the corporate purposes, the managing director is granted the broadest possible powers to act in the Company's name in all circumstances. He exercises these powers within the limits of the company purpose and within the powers expressly attributed by law to the shareholders' meetings and meetings of the executive committee. He represents the Company in its relations with third parties.

The managing director can grant all partial delegations of his/her powers to any person of his/her choice.

The managing director can be dismissed by the board of directors at any time. Upon proposal from the managing director, the board of directors can appoint up to five natural persons to assist the managing director under the title deputy managing director.
This also applies to the deputy managing directors, upon proposal from the managing director. In case of death, resignation or dismissal of the managing director, the deputy managing directors retain, unless decided otherwise by the board, their duties and attributions until the appointment of a new managing director.

The deputy managing directors can be dismissed by the board of directors at any time, on the proposal of the managing director.
In agreement with the managing director, the Board determines the extent and duration of the powers delegated to the deputy managing directors.
These powers may include a right of partial delegation. In case of death, resignation or dismissal of the managing director, they retain, unless decided otherwise by the board, their duties and attributions until the appointment of a new managing director.
With regard to third parties, the deputy managing directors have the same powers as the managing director.

The managing director commits the Company even with regard to actions not included in the corporate purpose unless it can be proven that the third party knew that the action was outside of this purpose or could not have been ignorant of this in view of the circumstances, without the mere publication of the articles of association being sufficient to establish this proof.

Any limitation of the powers of the managing director by the present articles of association or by a decision of the board of directors has no effect with regard to third parties.

ARTICLE 21 - ALLOWANCES AND REMUNERATION OF THE BOARD

The general meeting can allocate to the board members, as remuneration for their efforts, a fixed annual amount in the form of director's fees, the amount of which is included in the Company's operating expenses and distributed to the board members at the board's discretion.

The remuneration of the managing director and that of the deputy managing director(s) are set by the board.

ARTICLE 22 - CUSTODIAN

The custodian, selected by the board of directors, is the following:

SOCIETE GENERALE
29, boulevard Haussmann – 75009 Paris

The custodian is responsible for the duties incumbent on it in application of the regulations in force as well as those contractually conferred on it by the financial manager by delegation or by the Sub-fund. It must, in particular ensure the regularity of the decisions taken by the portfolio management company. It must, if necessary, take all protective measures it deems appropriate. In the event of a dispute with the Management Company, it shall inform l'Autorité des marchés financiers.

ARTICLE 23 - PROSPECTUS

A prospectus has been prepared in compliance with the applicable regulations.

The board of directors or, if the Sub-fund has delegated its overall management, the Management Company has all powers in order to make, if necessary, any modifications to ensure the proper management of the Company, all within the framework of the legislative and regulatory provisions specific to SICAV funds.

TITLE 4

STATUTORY AUDITORS

ARTICLE 24 - APPOINTMENT - POWERS - REMUNERATION

A statutory auditor is appointed by the Management Company's board of directors for a term of six financial years after approval from the Autorité des Marchés Financiers.

The auditor certifies the Accuracy and sincerity of the financial statements.

The auditor may be reappointed.

The auditor shall inform the Autorité des marchés financiers without delay of any fact or any decision concerning the undertaking for collective investment in transferable securities of which it became aware in carrying out its audit duties and which might:
1. constitute a breach of the legal or regulatory provisions applying to such undertaking and which could have a significant impact on the financial situation, result or assets;
2. jeopardise the conditions or continuity of operations;
3. result in the expression of qualifications or a refusal to certify the Accounts

The auditor shall supervise the valuation of the assets and the determination of exchange ratios used in the event of a conversion, merger or split.

The auditor shall be responsible for reviewing all contributions in kind.

The auditor shall check the composition of the assets and other information before any publication.

The auditor's fees are determined by mutual agreement between the auditor and the Board of Directors or the managing body of the Management Company on the basis of a work schedule indicating all duties deemed necessary.

In the event of a liquidation, the auditor shall value the amount of the assets and establish a report on the terms and conditions of such liquidation.

The auditor certifies the financial statements serving as the basis for the payment of interim dividends.

The auditor's fees are included in the management fees.

The ordinary general meeting will designate a Replacement Auditor in order to replace the Auditor in the event of a refusal, impediment, resignation or death.

TITLE 5

GENERAL MEETINGS

ARTICLE 25 – GENERAL MEETINGS

The annual general meetings of the shareholders are convened and deliberate according to legal requirements.

The annual general meeting, which must approve the Company's accounts, must be called within four months of the end of the financial year.

Meetings shall be held at the registered office or at any such other place as may be specified in the notice of meeting.

Any shareholder can participate, either personally or by representative, in the meetings upon providing proof of identity and of ownership of shares, in any form, either by personal registration or by depositing the holder shares or deposit certificate, at the locations indicated in the meeting invitation; the time period for carrying out these formalities ends three days before the meeting date.

A shareholder may be represented as provided for under Article L225-106 of the French Code of Commerce.

Any shareholder may submit a vote by mail in the manner prescribed by the applicable regulations.

The meetings are presided over by the chairman of the board of directors or, in the latter's absence, by a deputy chairman or board member delegated for this purpose by the board. Failing that, the meeting appoints its own chairman.

The minutes are drafted and the copies or extracts of the deliberations are provided and certified in compliance with the law.

TITLE 6

ANNUAL ACCOUNTS

ARTICLE 26 – FINANCIAL YEAR

The financial year begins on the day after the last calculation date of the net asset value in October and ends on the last calculation date of the net asset value in the same month of the following year.

Exceptionally, the first financial year will begin on the creation date of the Company and will end on 31 October 2002.

ARTICLE 27 - PROCEDURES FOR ALLOCATING INCOME AND AMOUNTS AVAILABLE FOR DISTRIBUTION

The board of directors approves the net income figure for the financial year, which, in accordance with legal requirements, is equal to interest payments, arrears, premiums, dividends, directors' fees and all other income derived from the fund's securities, plus income on temporarily available sums and minus management fees and borrowing costs.

Distributable income comprise:
1° Net income plus retained earnings and plus/minus the balance of the income adjustment account;
2° Capital gains, net of fees, minus capital losses, net of fees, realised during the financial year, plus net capital gains of the same nature realised in previous financial years that were not distributed or capitalised and plus/minus the balance of the capital-gains adjustment account.
The sums mentioned in paragraphs 1°and 2° may be distributed in whole or in part, independently of each other.

For each class of shares, the Sub-fund may propose:

Pure accumulation: distributable income are fully capitalised with the exception of those that must be distributed by law;

Pure distribution: distributable income, rounded off to the nearest whole figure, are fully distributed, with the option of interim distributions;

Accumulation and/or Distribution: each year the board of directors decides how to allocate income. In the course of the financial year, the board of directors may decide to pay out one or more instalments of distributable income that have been booked on the date of the decision. Remaining distributable income shall be reinvested.

The decisions of the board of directors pertaining to the distributable income for each financial year are subject to approval of the General Meeting of Shareholders.

Procedures for income allocation and distributable income are specified in the prospectus.

TITLE 7

EXTENSION - DISSOLUTION - LIQUIDATION

ARTICLE 28 - EXTENSION OR EARLY DISSOLUTION

At any time and for any reason whatsoever, the board of directors can propose the extension or early dissolution or liquidation of the Sub-fund to an extraordinary general meeting.

The issuing of new shares and the redemption by the Sub-fund of shares for shareholders so requesting ends on the publication date of the notice for the general meeting during which will be proposed the Company's early dissolution and liquidation, or upon the expiry of the Company's duration.

ARTICLE 29 - LIQUIDATION

Liquidation procedures comply with Article L 214-12 of the French monetary and financial code (*Code Monétaire et Financier)*.

TITLE 8

DISPUTES

ARTICLE 30 - COMPETENT COURTS - JURISDICTION

Any disputes that may arise during the life of the Company or upon its liquidation, either between the shareholders and the Company, or among the shareholders, and with regard to the affairs of the Company, are judged in compliance with the law and are subject to the jurisdiction of the courts responsible for the head office.

ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

1. Société Générale S.A. Frankfurt branch, Neue Mainzer Straβe 46-50 – 60311 Frankfurt am Main assumes the function of the German Paying- and Information Agent ("the German Paying and Information Agent") in the Federal Republic of Germany.
2. Redemption and exchange requests for the shares can be submitted at the German Paying- and Information Agent. Upon request, the redemption proceeds, distributions or other payments, if any, to the shareholder are paid in Euro via the German Paying- and Information Agent.
3. The current prospectus, the Key Investor Information Document (KIID), the Articles of Association of the Company as well as the semi-annual and annual report may be inspected at and can be received free of charge at the German Paying- and Information Agent by mail or by e-mail.

   Further shareholder information, if any, is available at the German Paying- and Information Agent and will be published on the website www.lyxoretf.de.
4. The net asset value per share of the share classes of the fund and the purchase, exchange and redemption prices are available at the German Paying- and Information Agent on every banking business day in Frankfurt. Furthermore, the purchase and redemption prices of the share classes of sub-funds together with the interim profit and the aggregate amount of income deemed to be received by the holder for the foreign investment units after 31 December 1993, are published on the website www.lyxoretf.de.
5. In addition to a publication on the website www.lyxoretf.de shareholders will be informed via shareholder letter about the following changes :

   - the suspension of redemption of the Sub-Fund's shares;
   - the termination of the management of a Sub-Fund or the liquidation thereof,
   - changes being made to the Memorandum and Articles of Association which are not in compliance with the existing investment principles or which affect material investor rights or which relate to fees and cost refunds that may be withdrawn from the Fund's assets;
   - the merger of the Fund; and, where applicable, the conversion of the Fund into a feeder fund
6. For a transparent and, thus, investor-favorable taxation of income of the Company in accordance with the German Investment Tax Act (Investmentsteuergesetz, InvStG) all bases of taxation within the meaning of Section 5 sub-section 1 InvStG must have been disclosed by the Company (so-called tax disclosure requirement). This also applies to the extent the Company has acquired units in other domestic investment funds and investment stock companies, EC investment units and foreign investment units, which do not qualify as EC investment units (target fund within the meaning of Section 10 InvStG) and they comply with the tax disclosure requirements.
7. **The following sub-funds of the Company are not registered in Germany according to Section 310 of the German Investment Code (KAGB):**

   The Management Company endeavours to disclose all bases of taxation available to it. However, it cannot be guaranteed that the required notification will be made. The Management Company cannot guarantee, in particular, that the required disclosure is made, if the Management Company acquires target funds that do not comply with the tax disclosure requirements incumbent on them.

Lyxor BEL 20 TR (DR) UCITS ETF
Lyxor CAC 40 Daily (-2x) Inverse UCITS ETF
Lyxor CAC 40 Daily (2x) Leveraged UCITS ETF
Lyxor FTSE MIB Daily (2x) Leveraged UCITS ETF
Lyxor Green Bond Indiciel
Lyxor IBEX 35 Doble Apalancado Diario UCITS ETF
Lyxor IBEX 35 Doble Inverso Diario UCITS ETF
Lyxor PEA Obligations d'État Euro UCITS ETF
Lyxor PEA PME (DR) UCITS ETF
Planet Monde

Shares of the above mentioned sub-fund are not allowed to be distributed in Germany.