



## KBL KEY FUND

### Simplified Prospectus

October 2010

**Variable capital investment company under Luxembourg law**

This simplified prospectus contains the most important information on the KBL Key Fund Sicav. For any additional information before investing, the investor should consult the latest full prospectus in force.

For any information on the assets of the Sicav, the investor may refer to the latest annual or half-yearly report. The prospectus and the various reports may be obtained free of charge from the registered office of the Sicav.

## KBL Key Fund

**Incorporation:**

13 March 1998, Grand Duchy of Luxembourg (RCS B 63.616).

**Duration of the Sicav:**

indefinite.

**Regulatory system:**

Sicav subject to Part I of the Law of 20 December 2002 (the Law)

**Head office:**

11, rue Aldringen, L-1118 Luxembourg

**Promoter:**

KBL EUROPEAN PRIVATE BANKERS S.A., Luxembourg

**Custodian bank:**

KBL EUROPEAN PRIVATE BANKERS S.A., Luxembourg

**Management Company:**

KREDIETRUST LUXEMBOURG S.A., Luxembourg

The Sicav's Board of Directors appointed KREDIETRUST Luxembourg S.A. as Management Company (hereinafter Management Company) by means of a contract dated 28 April 2006 to provide management, administration and marketing services. KREDIETRUST LUXEMBOURG S.A. is an approved Management Company pursuant to the stipulations of Chapter 13 of the Law.

The Management Company has been appointed Domiciliary Agent, Administrative Agent, Registrar and Transfer Agent pursuant to the agreements concluded on 28 April 2006.

**Authorised Auditors:**

Deloitte S.A., Luxembourg

**Competent authority:**

CSSF, Luxembourg.

**Sub-funds:**

- KBL KEY FUND - FAR EAST
- KBL KEY FUND - EUROPE
- KBL KEY FUND - EUROPEAN SMALL COMPANIES
- KBL KEY FUND - EASTERN EUROPE
- KBL KEY FUND - MAJOR EMERGING MARKETS
- KBL KEY FUND - NATURAL RESOURCES EQUITIES
- KBL KEY FUND - NORTH AMERICA

## KBL Key Fund

<b>Strategy and risk profiles</b>	<p>As the portfolio of each sub-fund of the Sicav is subject to market fluctuations and to the risks inherent in any investment, share prices may vary as a result and the Sicav cannot give any guarantee that its objectives will be achieved and, should that be the case, investors risk getting back lower sum than they invested.</p> <p>In the framework of efficient management, each sub-fund may hold ancillary derivatives within the limits laid down in the chapter 'Financial techniques and instruments' and in accordance with the 'Investment restrictions' laid down in the prospectus.</p> <p>The aim of using these derivatives is to complete or obtain an exposure in accordance with the investment policy concerned.</p> <p>For a detailed description of the risks, the investor should look at the full prospectus.</p>	
<b>Tax system:</b>	of the Sicav	Subscription tax of 0.05 % of the net asset value except for that part of the net assets invested in another UCI under Luxembourg law already subject to this annual tax.
	of the shareholder	<p><b>Taxation of resident shareholders</b></p> <p>In certain cases and under certain conditions, the capital gains made by a shareholder, an individual resident in Luxembourg holding or having held, directly or indirectly, more than 10% of the capital of the Sicav or holding the shares for six months or less before the transfer of a share, the dividends received by a shareholder and the proceeds made or received by a corporate body resident may be subject to taxation in Luxembourg unless a tax allowance or exemption applies.</p> <p>A resident shareholder is also subject to a wealth tax in Luxembourg and to taxation on donations made in Luxembourg and, under certain conditions, inheritance.</p> <p>Potential shareholders are advised to inform themselves and, if necessary, seek advice as to laws and regulations, such as those regarding taxation and exchange control, applying to subscription, purchase, possession and sale of shares in their country of origin, residence and domicile.</p>
	of the shareholder	<p><b>Taxation of non-resident shareholders</b></p> <p>In certain cases and under certain conditions a non-resident shareholder holding or having held, directly or indirectly, more than 10% of the capital of the Sicav or a shareholder having a permanent business establishment in Luxembourg to which the share is linked may be subject to taxation in Luxembourg if a tax allowance or exemption does not apply.</p>

## KBL Key Fund

		<p>A non-resident shareholder is not subject to taxation on donations not made in Luxembourg or inheritance.</p> <p>Income received by an individual resident in a country of the European Union or certain dependent or associated territories, may, depending on the investment strategy of the sub-fund of the Sicav in which this shareholder holds shares fall within the scope of Directive 2003/48/EC of the Council of Ministers of 3 June 2003 on taxation of income in the form of interest payments subject to 20% withholding tax (35% July 2011).</p> <p>The shareholder may also be subject to taxation in his country of residence under the laws and regulations applicable to him and with which he must comply. Potential investors are advised to check the tax obligations in force in their country of residence.</p>
<b>Sicav's consolidation currency</b>	EUR	
<b>Fees charged to investors</b>	Subscription fee	Max. 5 %
	Redemption fee	Max. 0,5 %
	No conversion fee	
<b>Fees charged to the Sicav</b>	Management fee	1,15 %
	Custodian fee	Max. 0,05 %
	Administrative Agent fee	Max. 0.10 % with an annual minimum of EUR 24,000 or EUR 27,000 (depending on the number of stocks in the portfolio)
	<p>These fees are calculated on the basis of the average net asset value of each sub-fund of the Sicav and payable monthly, except for the management fee which is payable quarterly.</p> <p>Further, the assets of the Sicav will bear all its operating expenses (including Fund Manager's fees, fees and certain expenses of directors, of the Custodian and its correspondents, Domiciliary Agent, Registrar and Transfer Agent, Administrative Agent, of the Auditor, of the legal advisers as well as printing and distribution costs for annual and half-yearly reports and of this Prospectus), brokerage fees, taxes due from the Sicav, fees related to the registration and the maintenance of it with all government authorities and all expenses in line with Luxembourg market practices payable by the Sicav.</p>	

## KBL Key Fund

<b>Subscriptions, redemptions and conversions</b>	Frequency	Daily
	Minimum subscription amount	None
	Subscriptions / redemptions / conversions until	5 p.m. (Luxembourg time) on Valuation Day
	Place of reception for subscription / redemption / conversion orders	At the office of the Sicav
	Applicable NAV	NAV dated D (Valuation Day) calculated the second day after D (Calculation Day)
	Payments for subscriptions / redemptions	The second Luxembourg banking day after the applicable Calculation Day and in the currency of the sub-fund concerned. If this is not a working day in the currency of the category of shares subscribed, the applicable payment day is the next working day for this currency.
	Payments for redemptions	The second Luxembourg banking day after the Calculation Day and in the currency of the sub-fund redeemed. If this is not a working day in the currency of the category of shares redeemed, the applicable payment day is the next working day for this currency.
<b>Financial year</b>	1 January to 31 December	
<b>Price</b>	Available each calculation day at the Sicav's registered office.	
<b>Contact</b>	<p>For further information please contact the Sicav at the following address:</p> <p>11, rue Aldringen, L-1118 Luxembourg  Tel: (+352) 47 97 1      Fax : (+352) 47 97 - 73910</p>	

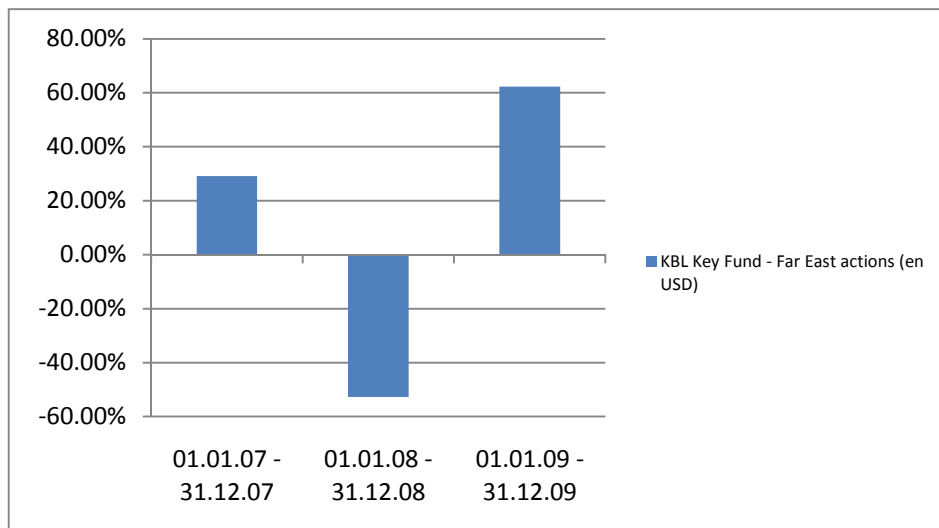
## KBL Key Fund

### KBL KEY FUND - FAR EAST

<b>Investment objectives</b>	This sub-fund invests in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in countries of the Far East, with no restriction as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets are invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the Law of 20 December 2002 on undertakings for collective investment.
<b>Strategy and risk profiles</b>	This sub-fund offers a high level of risk on the basis of an investment horizon of at least seven years.
<b>Type of investor</b>	Dynamic investor whose objective is long-term capital appreciation through the economic growth potential offered by the economies of the Far East (ex Japan). The risk level is higher than with other investments but the return prospects are very high over the long term. The fund of funds structure also gives better control of volatility on the emerging markets.
<b>Sub-fund's benchmark currency</b>	USD
<b>Categories of shares</b>	There is an equity category in the sub-fund denominated in USD.

## KBL Key Fund

### Past performance \*)



### Portfolio Turnover Rate (in %)

(the issues and redemptions are settled by NAV calculation day)

- as at 31.12.09 34,34

### Equity performance (in%)

- as at 31.12.09 62,22

- as at 31.12.08 -52,77

- as at 31.12.07 29,12

### Synthetic TER per share (in %)

- as at 31.12.09 3,23

\*) Past performance is no indication of future performance.

## KBL Key Fund

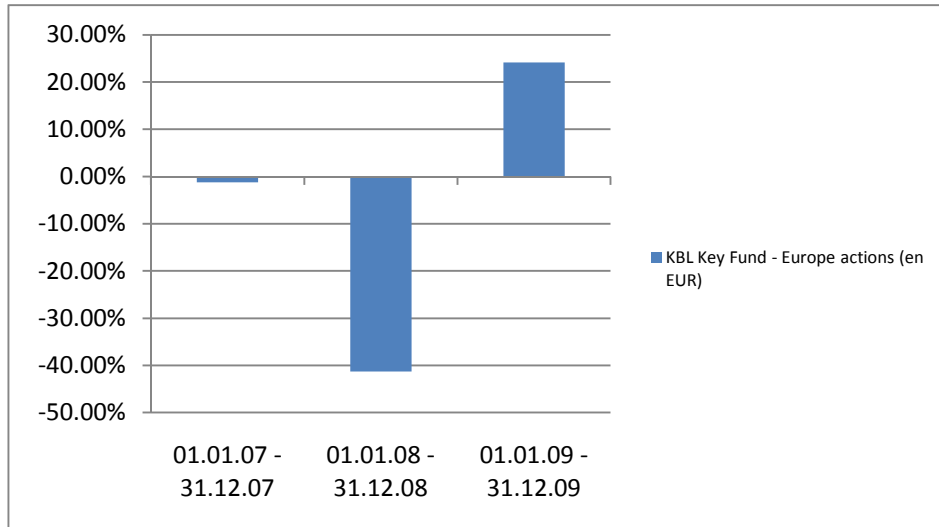
### KBL KEY FUND - EUROPE

<b>Investment objectives</b>	This sub-fund invests in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in countries of the European Union, with no restriction as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets are invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the Law of 20 December 2002 on undertakings for collective investment.
<b>Strategy and risk profiles</b>	This sub-fund offers a high level of risk on the basis of an investment horizon of at least 5 to 7 years.
<b>Type of investor</b>	Dynamic investor whose objective is long-term capital growth through the potential economic growth of European equities. The risk level is higher than with other investments but the return prospects are very high over the long term. The fund of funds structure also gives better control of volatility on the equity markets.
<b>Sub-fund's benchmark currency</b>	EUR
<b>Categories of shares</b>	There is an equity category in the sub-fund denominated in EUR.



## KBL Key Fund

### Past performance \*)



### Portfolio Turnover Rate (in %)

(the issues and redemptions are settled by NAV calculation day)

- as at 31.12.09 189,68

### Equity performance (in%)

- as at 31.12.09 24,14

- as at 31.12.08 -41,26

- as at 31.12.07 -1,25

### Synthetic TER per share (in %)

- as at 31.12.09 2,72

\*) Past performance is no indication of future performance.

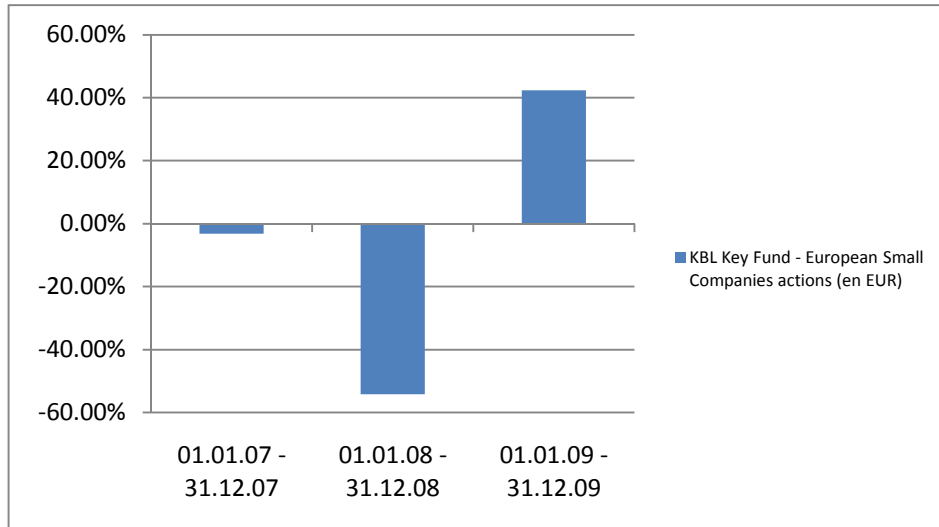
## KBL Key Fund

### KBL KEY FUND - EUROPEAN SMALL COMPANIES

<b>Investment objectives</b>	This sub-fund invests mainly, in particular through UCITS shares or units, in small cap stocks of issuers (EUR 5 billion maximum) having their head office or carrying out a large part of their economic activity in Europe, with no restriction as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets are invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the Law of 20 December 2002 on undertakings for collective investment.
<b>Strategy and risk profiles</b>	This sub-fund offers a high level of risk on the basis of an investment horizon of at least seven years.
<b>Type of investor</b>	Dynamic investor whose objective is long-term capital growth through the potential economic growth of European small caps. The risk level is higher than with other investments but the return prospects are very high over the long term. The fund of funds structure also gives better control of volatility on the small caps markets.
<b>Sub-fund's benchmark currency</b>	EUR
<b>Categories of shares</b>	There is an equity category in the sub-fund denominated in EUR.

## KBL Key Fund

### Past performance \*)



### Portfolio Turnover Rate (in %)

(the issues and redemptions are settled by NAV calculation day)

- as at 31.12.09 48,84

### Equity performance (in%)

- as at 31.12.09 42,37

- as at 31.12.08 -54,13

- as at 31.12.07 -3,18

### Synthetic TER per share (in %)

- as at 31.12.09 3,42

\*) Past performance is no indication of future performance.

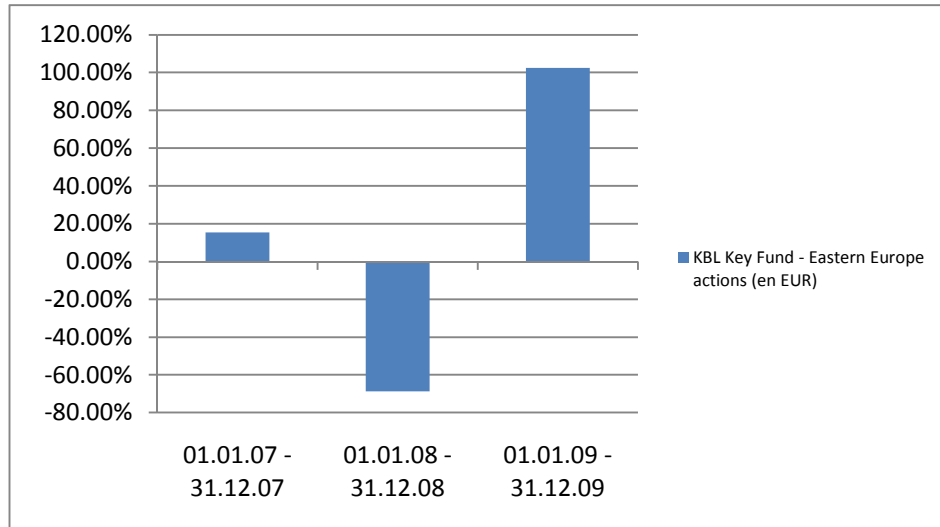
## KBL Key Fund

### KBL KEY FUND - EASTERN EUROPE

<b>Investment objectives</b>	This sub-fund invests in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in eastern Europe, with no restriction as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets are invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the Law of 20 December 2002 on undertakings for collective investment.
<b>Strategy and risk profiles</b>	This sub-fund offers a high level of risk on the basis of an investment horizon of at least seven years.
<b>Type of investor</b>	Dynamic investor whose objective is long-term capital growth through the potential economic growth offered by the economies of eastern Europe, especially within the framework of their integration into the EU. The risk level is higher than that for other investments but the return prospects are higher over the long term. The fund of funds structure also gives better control of volatility on the emerging markets.
<b>Sub-fund's benchmark currency</b>	EUR
<b>Categories of shares</b>	There is an equity category in the sub-fund denominated in EUR.

## KBL Key Fund

### Past performance \*)



### Portfolio Turnover Rate (in %)

(the issues and redemptions are settled by NAV calculation day)

- as at 31.12.09 74,62

### Equity performance (in%)

- as at 31.12.09 102,38

- as at 31.12.08 -68,82

- as at 31.12.07 15,35

### Synthetic TER per share (in %)

- as at 31.12.09 3,02

\*) Past performance is no indication of future performance.

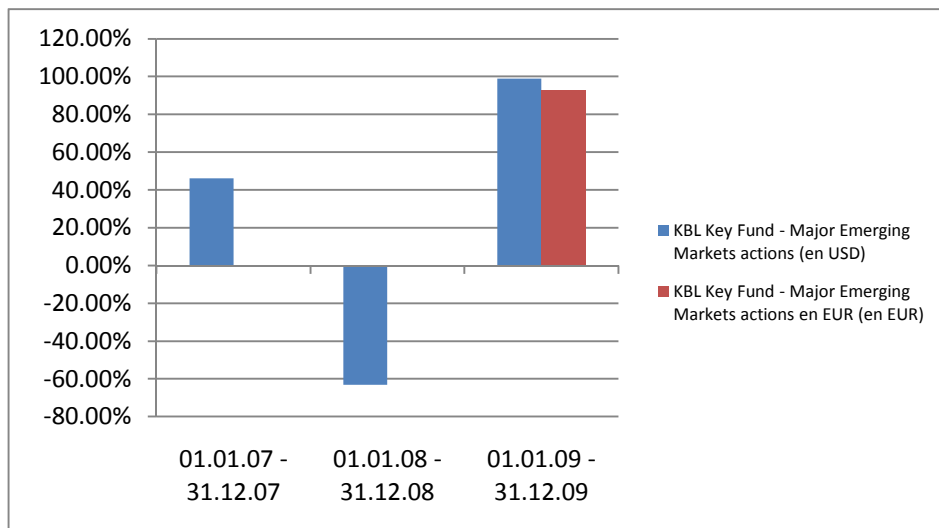
## KBL Key Fund

### KBL KEY FUND - MAJOR EMERGING MARKETS

<b>Investment objectives</b>	This sub-fund invests in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in emerging market countries with no restriction as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets is invested in stocks of issuers having their head office or carrying out a large part of their economic activity in the major emerging markets (i.e. Brazil, Russia, India, China, South Korea, Taiwan, South Africa, Turkey and Mexico) on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the Law of 20 December 2002 on undertakings for collective investment.
<b>Strategy and risk profiles</b>	This sub-fund offers a very high level of risk on the basis of an investment horizon of at least seven years.
<b>Type of investor</b>	Dynamic investor whose objective is long-term capital growth through potential economic growth offered by the emerging economies and in particular major future economic, political and demographic powers: Brazil, Russia, India and China, South Korea, Taiwan, South Africa, Turkey and Mexico. The investor must be aware that level of risk is greater than with other investments but that yield potential is very high over the long term. The fund of funds structure also gives better control of volatility on the emerging markets.
<b>Sub-fund's benchmark currency</b>	USD
<b>Categories of shares</b>	There is within this sub-fund a share category in USD and another in EUR.
<b>Past performances</b>	Sub-fund launched on 31 May 2006.

## KBL Key Fund

### Past performance \*)



### Portfolio Turnover Rate (in %)

(the issues and redemptions are settled by NAV calculation day)

- as at 31.12.09

111,93

### Equity performance (in%)

- as at 31.12.09

98,93

- as at 31.12.08

-63,13

- as at 31.12.07

46,19

### Synthetic TER per share (in %)

- as at 31.12.09

2,77

\*) Past performance is no indication of future performance.

## KBL Key Fund

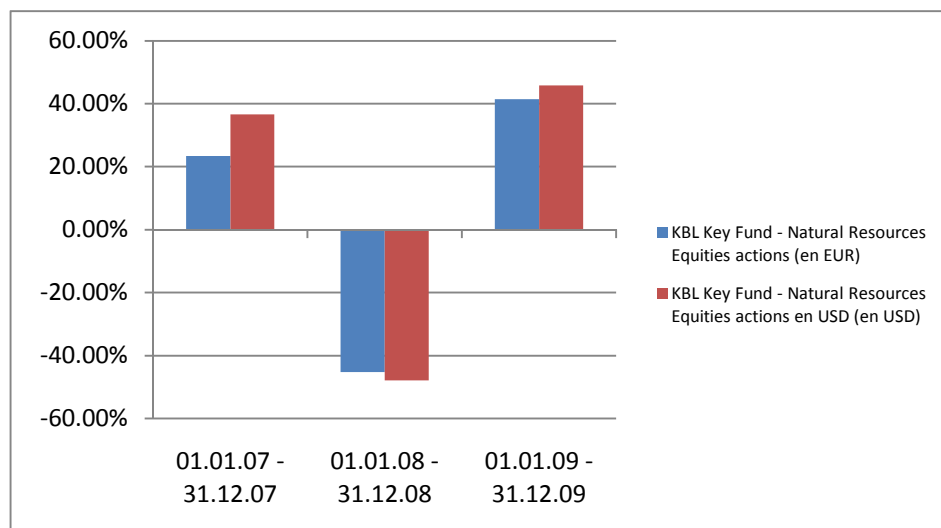
### KBL KEY FUND - NATURAL RESOURCES EQUITIES

<b>Investment objectives</b>	This sub-fund invests mainly, in particular through UCITS shares or units, in stocks of issuers deriving most or a major part of their revenue from natural resources. The sub-fund will ensure that at least 2/3 of its total assets are invested in the shares or other securities and beneficial interests issued by companies active in natural resources on a consolidated basis. The term 'natural resources' is taken to mean utilities (metals, precious metals, oil and natural gas, water and alternative sources of energy). The sub-fund may invest in other UCI in compliance with Article 41 (e) of the Law of 20 December 2002 on undertakings for collective investment.
<b>Strategy and risk profiles</b>	This sub-fund offers a high level of risk on the basis of an investment horizon of at least 5 to 7 years.
<b>Type of investor</b>	Dynamic investor looking for long-term capital appreciation thanks to the strong growth potential of companies worldwide active in exploration; development, production and exploitation of natural resources. This growth will be sustained by strong demand from developing countries. The risk level is higher than with other investments but the return prospects are very high over the long term. The fund of funds structure also gives better control of volatility on the equity markets.
<b>Sub-fund's benchmark currency</b>	EUR
<b>Categories of shares</b>	There is within this sub-fund a share category in USD and another in EUR.
<b>Past performances</b>	Sub-fund launched on 30 November 2006.



## KBL Key Fund

### Past performance \*)



### Portfolio Turnover Rate (in %)

(the issues and redemptions are settled by NAV calculation day)

- as at 31.12.09 202,33

### Equity performance (in%)

- as at 31.12.09 41,44

- as at 31.12.08 -45,20

- as at 31.12.07 23,36

### Synthetic TER per share (in %)

- as at 31.12.09 2,29

### USD equity performance (in%)

- as at 31.12.09 45,82

- as at 31.12.08 -47,81

- as at 31.12.07 36,68

### Synthetic TER per USD share in USD (in %)

- as at 31.12.09 2,28

\*) Past performance is no indication of future performance.

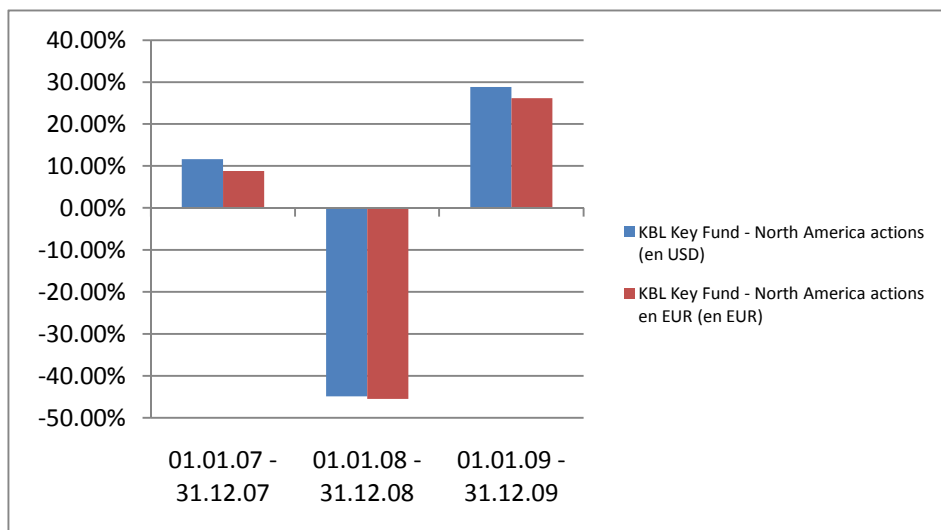
## KBL Key Fund

### KBL KEY FUND - NORTH AMERICA

<b>Investment objectives</b>	This sub-fund invests in particular through UCITS shares or units, in the stocks of issuers having their head office or carrying out a large part of their economic activity in the USA with no restriction as to industrial or sectoral diversification. The sub-fund ensures that at least 2/3 of its total assets are invested in such stocks on a consolidated basis. The sub-fund may invest in other UCI in compliance with Article 41 (e) of the Law of 20 December 2002 on undertakings for collective investment.
<b>Strategy and risk profiles</b>	This sub-fund offers a high level of risk on the basis of an investment horizon of at least 5 to 7 years.
<b>Type of investor</b>	Dynamic investor whose objective is long-term capital growth through the potential economic growth of US securities. The risk level is higher than with other investments but the return prospects are very high over the long term. The fund of funds structure also gives better control of volatility on the equity markets.
<b>Sub-fund's benchmark currency</b>	USD
<b>Categories of shares</b>	There is within this sub-fund a share category in USD and another in EUR (hedged against USD).
<b>Past performances</b>	Sub-fund launched on 29 September 2006.

## KBL Key Fund

### Past performance \*)



### Portfolio Turnover Rate (en %)

(the issues and redemptions are settled by NAV calculation day)

- as at 31.12.09 98,64

### Equity performance (in%)

- as at 31.12.09 28,82

- as at 31.12.08 -44,84

- as at 31.12.07 11,66

### Synthetic TER per share (in %)

- as at 31.12.09 2,81

### EUR equity performance (in%)

- as at 31.12.09 26,12

- as at 31.12.08 -45,44

- as at 31.12.07 8,80

### Synthetic TER per EUR share (in %)

- as at 31.12.09 2,81

## KBL Key Fund

The idea of total assets used in the investment policies of the sub-funds is defined as being the total net assets plus payables of the said sub-funds (deduction of technical liquidities).

### **Note:**

Each of the investment policies above has the possibility, in application of Article 41 (2) (a) of the Law of 20 December 2002, of investing in open hedge funds, funds of funds, open real estate funds as well as private equity funds and closed listed hedge funds which do not respect the stipulations of Article 41 (1) (a) – (d) of the Law of 20 December 2002 in their investment policies provided that:

- these other UCI are authorised pursuant to legislation providing that these undertakings are subject to monitoring which is considered by the CSSF to be equivalent to that stipulated in Community legislation and that co-operation between the authorities is sufficiently guaranteed;
- the level of protection guaranteed to holders of units in these other UCI is equivalent to that provided for holders of units in UCITS and, in particular, that the rules on the division of assets, loans, borrowings, short sales of securities and money-market instruments are equivalent to those of Directive 85/611/EEC;
- the activities of the other UCI are subject to half-yearly and annual reports allowing valuation of assets and liabilities, profits and operations during the period under consideration.

These investments are only allowed within the 10% limit envisaged in the Chapter 'Investment Restrictions', Section II, point 1 of the full prospectus.