

**ALIAS INVESTMENT**  
*Société d'investissement à capital variable*  
Luxembourg

Prospectus

**October 2014**

This prospectus (the "**Prospectus**") is valid only if it is accompanied by the latest available annual report and, where applicable, by the non-audited semi-annual report, if published since the last annual report. These reports form an integral part of this Prospectus.

In addition to this Prospectus, the Company has also adopted a Key Investor Information Document (the "**KIID**") per class of shares for each Sub-Fund which contains the key information about each class of shares of the Company. The KIIDs are to be provided prior to any subscription and are available free of charge at the registered office of the Company and on the website: [www.lyxorfunds.com](http://www.lyxorfunds.com).

**VISA 2014/96912-3633-0-PC**

L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 2014-11-17  
Commission de Surveillance du Secteur Financier



**ALIAS INVESTMENT**  
**Société d'investissement à capital variable**  
**Registered Office:**  
**5, allée Scheffer, L-2520 Luxembourg**  
**RCS Luxembourg B 96.732**

**OFFER FOR SHARES**

This is an offer to subscribe for separate classes of shares (the "**Shares**") issued without par value in ALIAS INVESTMENT (the "**Company**"), each Share being linked to one sub-fund of the Company (the "**Sub-Fund(s)**"), as specified below.

The Shares in each of the Sub-Funds may be divided into classes (the "**Classes**"). For further information about the rights attaching to the various Classes of Shares, see paragraph "Classes of Shares".

Unless otherwise mentioned in the Appendix dedicated to each Sub-Fund, the Shares will not be listed on the Luxembourg Stock Exchange.

**IMPORTANT INFORMATION**

**If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, attorney, accountant or other financial advisor. No person is authorised to give any information other than that contained in this Prospectus and in the KIID relating to the relevant Class of each Sub-Fund, or any of the documents referred to herein that are available for public inspection at 5, allée Scheffer, L-2520 Luxembourg.**

- The Company is registered in the Grand Duchy of Luxembourg as an undertaking for collective investment in transferable securities (a "**UCITS**") under the form of an investment company with variable share capital ("**SICAV**").

However, such registration does not imply a positive assessment by the supervisory authority of the contents of this Prospectus or any KIID or of the quality of the Shares offered for sale. Any representation to the contrary is unauthorised and unlawful.

- This Prospectus does not constitute an offer to anyone or solicitation by anyone in any jurisdiction in which such an offer or solicitation is unlawful or in which the person making such an offer or solicitation is not qualified to do so.

- Any information given by any person not mentioned in this Prospectus should be regarded as unauthorised. The Board of Directors has taken the precautions that the information contained in this Prospectus is accurate at the date of its publication and accepts responsibility accordingly. To reflect material changes, this Prospectus may be updated from time to time and potential subscribers should enquire from the Company as to the issue of any later Prospectus and KIIDs.
- The distribution of this Prospectus, of the KIIDs and the offering of the Shares may be restricted in certain jurisdictions. It is the responsibility of any person in possession of this Prospectus and of the KIIDs and any person wishing to subscribe for Shares pursuant to this Prospectus and the KIIDs to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions. Potential subscribers or purchasers of Shares should inform themselves as to the possible tax consequences, the legal requirements and any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding, conversion or sale of Shares.

**TARGETED INVESTORS**

The profile of the typical investor per each Sub-Fund is described in each Appendix annexed to the present Prospectus.

**DISTRIBUTION AND SELLING RESTRICTIONS**

At the date of this Prospectus, the Company has been authorised for offering in Luxembourg. The Company or specific Sub-Fund(s) may be subsequently authorised for distribution in other jurisdictions. However, no procedure has been undertaken to enable the offer of the Shares or the distribution of this Prospectus or any KIID in any other jurisdictions whose legislation or regulations in force would require such

procedure. As a result, this Prospectus cannot be distributed for the purpose of offering or canvassing the Shares in any jurisdiction or in any circumstances where such offering or canvassing is not authorised.

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

### **United States**

Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) or the securities laws of any of the States of the United States. Shares may not be offered, sold or delivered directly or indirectly in the United States, or to or for the account or benefit of any **"US Person"**. Any re-offer or resale of any Shares in the United States or to US Persons may constitute a violation of US law. The Company will not be registered under the United States Investment Company Act of 1940, as amended. Applicants for Shares will be required to certify that they are not US Persons. All Shareholders are required to notify the Company of any change in their status as non-US Person.

### **RELIANCE ON THIS PROSPECTUS AND ON THE KIIDS**

**Shares in any Sub-Fund described in this Prospectus as well as in the relevant KIIDs are offered only on the basis of the information contained therein and (if applicable) any addendum hereto and the latest audited annual report and any subsequent semi-annual report of the Company.** Any further information or representations given or made by any distributor, intermediary (the **"Intermediary"** defined as any sales agent, servicing agent and/or nominee, distributor, appointed to offer and sell the Shares to the investors and handle the subscription redemption, conversion or transfer request of Shareholders), dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to make any representation in connection with the offering of Shares other than those contained in this Prospectus and

(if applicable) any addendum hereto and in any subsequent semi-annual or annual report of the Company and, if given or made, such information or representations must not be relied on as having been authorised by the Directors, the Management Company, the Depositary, the Registrar and Transfer Agent or the Administrative Agent. Statements in this Prospectus and the KIIDs are based on the law and practice currently in force in Luxembourg at the date hereof and are subject to change. Neither the delivery of this Prospectus or of the KIIDs nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the Company have not changed since the date hereof.

Prospective investors may obtain, free of charge, on request, a copy of this Prospectus and of the KIID(s) relating to the Class(es) of the Sub-Fund(s) in which they invest, the annual and semi-annual financial reports of the Company and the Articles of Incorporation at the registered office of the Company or the Depositary.

### **INVESTMENT RISKS**

**Investment in any Sub-Fund carries with it a degree of financial risk, which may vary among Sub-Funds. The value of Shares and the return generated from them may go up or down, and investors may not recover the amount initially invested.**

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

### **MARKET TIMING POLICY**

The Company does not knowingly allow investments which are associated with market timing practices, as such practices may adversely affect the interests of all shareholders.

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

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

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

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

- Cause the Registrar and Transfer Agent to reject any application for conversion and/or subscription of Shares from investors whom the former considers market timers.
- The Registrar and Transfer Agent may combine Shares which are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in market timing practices.
- If a Sub-Fund is primarily invested in markets which are closed for business at the time the Sub-Fund is valued during periods of market volatility cause the Administrative Agent to allow for the Net Asset Value per Share to be adjusted to reflect more accurately the fair value of the Sub-Fund's investments at the point of valuation.

## **DATA PROTECTION**

Certain personal data of investors (including, but not limited to, holding in the Company) may be collected, recorded, stored, adapted, transferred or otherwise processed and used by the Company, the Registrar and Transfer Agent and other companies of Lyxor Asset Management S.A.S and affiliates and the financial Intermediaries of such investors. In particular, such data may be processed for the purposes of account and distribution fee administration, anti-money laundering identification, tax identification under the European Union Tax Savings Directive 2003/48/EC and to provide client-related services. Such information shall not be passed on to any unauthorised third persons.

The Company will take step to ensure that all personal data in relation to Shareholders is recorded accurately and maintained in a secure and confidential format. Such data will be retained only as long as necessary as in accordance with applicable laws. Data will only be used for the purpose or which it was collected, unless the consent of the Shareholder is obtained for its use for a different purpose.

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

Shareholders may request access to or rectification of any personal data supplied by them in the manner and subject to the limitations prescribed in applicable laws.

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**Registered Office**

5, allée Scheffer,  
L-2520 Luxembourg

**Promoter**

Société Générale  
29, Boulevard Haussmann,  
75009 Paris, France

**Board of Directors of the Company**

*Chairman*

**Jean-Marc STENGER**

Chief Investment Officer  
for Alternative Investments  
Lyxor Asset Management S.A.S  
17 cours Valmy  
92987 Paris-La Défense, France

*Directors*

**Lionel PAQUIN**

Head of Lyxor Managed Account  
Platform  
Asset Management S.A.S  
17 cours Valmy  
92987 Paris-La Défense, France

**Stéphane AIDAN**

Managing Director  
Lyxor Asset Management  
Luxembourg SA  
18, Boulevard Royal  
L-2449 LUXEMBOURG

**Management Company**

**Lyxor Asset Management S.A.S**

Tour Société Générale  
17, cours Valmy  
92987 Paris- La Défense, France  
*Chairwoman*

**Inès de DINECHIN**

Lyxor Asset Management S.A.S and  
Lyxor International Asset Management  
17 cours Valmy  
92 987 Paris La Défense

*Director:*

**Edouard Auché**

**Chief Operating Officer**

Lyxor Asset Management S.A.S  
17 cours Valmy  
92 987 Paris La Défense

**Administration**

**Depository, Administrative Agent and Domiciliary Agent**

CACEIS Bank Luxembourg  
5, allée Scheffer,  
L-2520 Luxembourg,  
Grand Duchy of Luxembourg

**Paying Agent**

Société Générale Bank & Trust S.A.,  
11, avenue Emile Reuter,  
L-2420 Luxembourg,  
Grand Duchy of Luxembourg

**Registrar and Transfer Agent**

European Fund Services S.A.,  
28-32, Place de la Gare  
L-1616 Luxembourg,  
Grand Duchy of Luxembourg

**Auditor**

PricewaterhouseCoopers, société coopérative  
400, Route d'Esch  
L-1471 Luxembourg



## **I. Investment Objectives/ Investment Powers and Restrictions**

### **Investment Objectives**

The first objective of the Company is the investment of its net assets in transferable securities and money market instruments of any kind pursuant to Part I of the Luxembourg Law of 17 December 2010 (the "2010 Law") on Undertakings for Collective Investment in accordance with provisions of the European Council Directive 2009/65/EC ("UCITS"). The second objective of the Company is to invest the assets of certain of its Sub-Funds qualified as "funds of funds" in other Luxembourg of foreign undertakings for collective investment ("UCI") of the open-ended type. In addition, the Company may employ, for the purpose of efficient portfolio management and for the purpose of providing protection against market and exchange risks, the investment techniques and instruments described below in paragraph "Investment Powers and Restrictions".

The Company aims to provide investors with professionally managed Sub-Funds investing in a wide range of transferable securities and money market instruments in order to achieve an optimum return from capital invested while reducing investment risk through diversification.

In addition, the Company aims to provide investors with professionally managed index Sub-Funds whose objective is to replicate the composition of a certain financial index recognised by the Luxembourg supervisory authority.

Finally, the Company aims also to provide investors with professionally managed Sub-Funds, qualified as funds of funds, investing up to 100% of their assets in units or shares of UCITS authorised according to Directive 2009/65/EC and/or UCI with the meaning of the first and second indent of the article 1 paragraph (2) of the Directive 2009/65/EC.

The investment policy and objective of each Sub-Fund will be determined in its concerned Appendix annexed to the present Prospectus.

## **Investment Powers and Restrictions**

In order to achieve the Company's investment objectives and policies, the Board of Directors has determined that the following investment powers and restrictions shall apply to all investments by the Company:

### **A. INVESTMENT IN TRANSFERABLE SECURITIES AND LIQUID ASSETS**

- 1) In order to achieve the Company's investment objectives and policies, the Directors have determined that the following investment powers and restrictions shall apply to all investments made by certain Sub-Funds of the Company:

The Company, in certain Sub-Funds, may solely invest in

- a) transferable securities and money market instruments admitted to or dealt in on a regulated market within the meaning of article 4, item 1.14 of Directive 2004/39/EC ("Regulated Market");
- b) transferable securities and money market instruments dealt in on another regulated market that operates regularly and is recognized and is open to the public in a member state as defined in the 2010 Law ("Member State") ;
- c) transferable securities and money market instruments admitted to official listing on a stock exchange or dealt in on another Regulated Market located within any other country in Europe, Asia, Oceania, the Americas and Africa;
- d) recently issued transferable securities and money market instruments provided that:
  - i) the terms of issue provide that application be made for admission to official listing in any of the stock exchanges or Regulated Markets referred to above;
  - ii) such admission is secured within one year of the issue.

e) units or shares of UCITS authorised according to Directive 2009/65/EC and/or other UCI within the meaning of Article 1, paragraph (2), points a) and b) of the Directive 2009/65/EC, should they be situated in a Member State or not, provided that:

- i) such other UCI are authorised under laws which state that they are subject to supervision considered by the Luxembourg Supervisory Authority as equivalent as that laid down in Community legislation and that co-operation between authorities is sufficiently ensured;
- ii) the level of guaranteed protection offered to the unit holders/ shareholders in such UCI is equivalent to that provided for unit holders/ shareholders in a UCITS, and in particular that the rules on asset segregation, borrowings, lending and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC;
- iii) the activity of the other UCI is reported in semi-annual and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
- iv) the UCITS or the other UCI in which each Sub-Fund of the Company intends to invest, may not, according to its constitutive documents, invest more than 10% of its net assets in aggregate, in units/shares of other UCITS or other UCIs;

The diversification limits relating to the investment in units or shares of UCITS or other UCI described in this sub-paragraph are set out in the appendix of each Sub-Fund.

f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12

(twelve) months, provided that the credit institution has its registered office in a Member State, if the registered office of the credit institution is situated in a third country, provided that it is subject to prudential rules considered by the Luxembourg Supervisory Authority as equivalent to those laid down in Community law;

g) financial derivative instruments including cash settlement instruments, dealt in on a Regulated Market referred to in sub-paragraphs a), b), c) and/or financial derivative instruments dealt in over-the-counter ("OTC Derivatives") provided that:

- i) the underlying consists of instruments covered by the paragraph 1) above (points a to f), financial indices, interest rates, foreign exchanges rates or currencies in which each of the Sub-Funds may invest according to their investment objective;
- ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg Supervisory Authority, and
- iii) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

h) money market instruments other than those dealt in on a Regulated Market and referred to in Article 1 of the 2010 Law, if the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are :

- i) issued or guaranteed by a central, regional, or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non Member State or, in the case of a Federal State, by one of the members



- making up the federation, or by a public international body to which one or more Member States belong, or
- ii) issued by an undertaking whose securities are dealt in on Regulated Markets referred to in sub-paragraphs a), b) or c); or
  - iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with the criteria defined by the Community law or by an establishment which is subject to and comply with prudential rules considered by the Luxembourg Supervisory Authority to be at least equivalent to those laid down by Community law; or
  - iv) issued by other bodies belonging to the categories approved by the Luxembourg Supervisory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second and the third indent above and provided that the issuer is a company whose capital and reserves amount at least to ten million Euro (EUR 10,000,000.-) and which presents and publishes its annual accounts in accordance with Fourth Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.
- 2) In addition, each Sub-Fund of the Company may invest a maximum of 10% of its net assets in transferable securities and money market instruments other than those referred to in paragraph (1);
- 3) The Company may hold liquidity on an ancillary basis.
- 4) a) each Sub-Fund may not invest more than 10% of its net assets in transferable securities or money market instruments issued by the same issuer.
- Each Sub-Fund may not invest more than 20% of its net assets in deposits made with the same issuer. The risk exposure to a counterparty of each Sub-Fund in an OTC derivative transaction may not exceed 10% of its net assets when the counterparty is a credit institution referred to in (1) f) above or 5% of its net assets in other cases.
- b) in addition to the limit set forth in point a) above, the total value of transferable securities and money market instruments amounting more than 5% of the net assets of one Sub-Fund, must not exceed 40% of the net assets of this Sub-Fund. This limitation does not apply to deposit and OTC derivative transactions made with financial institutions subject to prudential supervision.
- Notwithstanding the individual limits laid down in paragraph a), b) above, each Sub-Fund may not combine:
- i) investments in transferable securities or money market instruments issued by, and
  - ii) deposits made with,
  - iii) exposures arising from OTC derivatives transactions
- undertaken with a single issuer for more than 20% of the Sub-Fund's net assets.
- c) the limit of 10% in sub-paragraph 4 a) above may be increased to a maximum of 35% in respect of transferable securities and money market instruments which are issued or guaranteed by a Member State or its public local authorities, by a third country or by public international bodies of which one or more Member States are members, and such securities and money market instruments need not be included in the calculation of the limit of 40% stated in sub-paragraph 4) b).

- d) the limit of 10% in sub-paragraph 4 a) above may be increased to a maximum of 25% in respect of qualifying debt securities issued by a credit institution whose registered office is situated in a Member State and which is subject, by virtue of law, to particular public supervision in order to protect the holders of such qualifying debt securities. For purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its Net Assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the net assets of such Sub-Fund. Such securities need not be included in the calculation of the limit of 40% stated in sub-paragraph 4 b).

The ceilings set forth in paragraph 4 above may not be aggregated, and accordingly, investments in the securities of any one issuer, effected in compliance with the provisions set forth in paragraph 4, may under no circumstances exceed 35% of any Sub-Fund's net assets.

- e) companies which are included in the same group for the purposes of consolidated accounts (as defined in accordance with Directive 83/349/ EEC) or in accordance with recognised international accounting rules are considered as a single body or issuer for the purpose of calculating the limits contained in this section.

Each Sub-Fund may invest in aggregate up to 20% of its net assets in transferable securities and money market instruments with the same group.

**5) Notwithstanding the ceilings set forth above, each Sub-Fund is authorised to invest in accordance with the principle of risk spreading, up to 100% of its net assets in transferable securities and money market instruments issued or guaranteed by a Member State of the European Union, by its local authorities, by Singapore or any member state of G20 or public international bodies of which one or more Member State(s) of the European Union are members provided that**

**a) such securities are part of at least six different issues, and**

**b) the securities from any one issue do not account for more than 30% of the net assets of such Sub-Fund.**

Such authorisation will be granted should the shareholders have a protection equivalent to that of shareholders in UCITS complying with the limits laid down in 4) above.

**6) The Company may:**

- a) not acquire more than 10% of the debt securities of any single issuing body;
- b) not acquire more than 10% of the non-voting shares of any single issuing body;
- c) not acquire more than 10% of the money market instruments of any single issuing body;
- d) not acquire more than 25% of the units of any single collective investment undertaking;

These four above limits are applying to the Company as a whole.

The limits under a), c) and d) above may be disregarded at the time of acquisition if at that time the gross amount of the bonds or of the money market instruments or the net amount of the instruments in issue can not be calculated.

The Company may not acquire any shares carrying voting rights which would enable the Company to take legal or management control or to exercise significant influence over the management of the issuing body.

**7)** The ceilings set forth under 6) above do not apply in respect of

- a) transferable securities and money market instruments issued or guaranteed by a Member State or by its local authorities;
- b) transferable securities and money market instruments issued or guaranteed by any other State which is not a Member State of the European Union;
- c) transferable securities and money market instruments issued by a public international body of which one or more Member State(s) of the European Union is/are member(s);
- d) shares in the capital of a company which is incorporated under or organised pursuant to the laws of a State which is not a Member State of the European Union provided that (i) such company invests its assets principally in securities issued by issuers of the State, (ii) pursuant to the law of that State a participation by the relevant Sub-Fund in the equity of such vehicle constitutes the only possible way to purchase securities of issuers of that State, and (iii) such vehicle observes in its investments policy the restrictions set forth in paragraph 4) and 5) above as well as in **C.** hereafter.
- e) shares held by the Company in the capital of subsidiaries carrying on exclusively the business of management, advice or marketing of the Company in the country/state where the subsidiary is located, regarding the repurchase of units/shares requested by the unit holders/shareholders.

The investment restrictions listed above and in **C.** hereafter apply at the time of purchase of the relevant investments. If these limits are exceeded with respect to a Sub-Fund for reasons beyond the control of the Sub-Fund or when exercising subscription rights, the Sub-Fund shall adopt as a priority objective for the sales transactions of the relevant Sub-Fund the remedying of that situation, taking due

account of the interests of the shareholders.

While ensuring observance of the principle of risk-spreading, the Company may derogate from limitations 4) to 7) above and in **C.** hereafter for a period of six months following the date of its inscription to the Luxembourg official list of UCI's.

**8)** The Company shall ensure that the global exposure relating to the use of derivative instruments in one Sub-Fund does not exceed its total asset value. The risk exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

If a Sub-Fund invests in financial derivative instruments, the exposure to the underlying assets may not exceed in aggregate the investment limits laid down in paragraph **A. 4)** above. When the Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits laid down in paragraph **A. 4)**.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the above requirements.

#### **B. INVESTMENT MADE BY INDEX SUB-FUNDS**

The aim of the index Sub-Funds investment policy is to replicate the composition of a certain financial index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified,
- the index represents an adequate benchmark for the market to which it refers,
- it is published in an appropriate manner.

Owing to the specific investment policy of the index Sub-Funds and without prejudice to the limits laid down in paragraph **A. 6)** and **7)**, the limits laid down in paragraph **A. 4)** are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body. The aforesaid limit is raised to 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are

highly dominant. The investment up to this limit is only permitted for a single issuer.

### **C. INVESTMENT IN UCITS AND OTHER UCIs**

Certain Sub-Funds may acquire units of UCITS and/or other UCIs referred to in paragraph **A. 1) e)** above, provided that no more than 20% of a Sub-Fund's net assets be invested in the units of a single UCITS or other UCI.

For the purpose of the application of the investment limit, each Sub-Fund of a UCI with an umbrella structure is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various sub-funds vis-à-vis third parties is ensured.

Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a Sub-Fund.

When the Sub-Funds of the Company invest in the units of other UCITS and/or other UCIs managed by a company linked to the Management Company by common management or control, or by a direct or indirect holding of more than 10% of the share capital or voting rights, or managed directly or indirectly by the Management Company, no subscription or redemption fees and only a reduced management fee of up to 0.25% may be charged to the Company on account of its investment in the units of such other UCITS and/or UCIs.

The total management fee (excluding any performance fee, if any) charged to such Sub-Fund and each of the UCITS or other UCIs concerned shall not exceed **3%** of the relevant net assets under management. The Company will indicate in its annual report the total management fees charged to both the relevant Sub-Fund and to the UCITS and other UCIs in which such Sub-Fund has invested during the relevant period.

The Company may acquire no more than 25% of the units of the same UCITS and/or other UCI. This limit may be disregarded at the time of acquisition if at that time the gross amount of the units in issue cannot be calculated. In case of a UCITS or other UCI with multiple sub-funds, this restriction is applicable by reference to all units issued by the UCITS/UCI concerned, all sub-funds combined.

The underlying investments held by the UCITS or other UCIs in which the Company invests do not have to be considered for the purpose of the investment restrictions set forth under **A** above.

### **D. INVESTMENT IN OTHER ASSETS**

a) The Company will not make investments in precious metals or certificates representing them.

b) The Company may not enter into transactions involving commodities or commodity contracts, except that the Company may employ techniques and instruments relating to transferable securities set out in paragraph **E.** below.

c) The Company will not purchase or sell real estate or any option, right or interest therein, provided the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

However, the Company may acquire movable and immovable property which is essential for the direct pursuit of its activity;

d) The Company may not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to above.

e) The Company may not borrow for the account of any Sub-Fund, other than amounts which do not in aggregate exceed 10% of the net asset value of the Sub-Fund, and then only as a temporary measure. For the purpose of this restriction, back to back loans are not considered to be borrowings.

f) The Company will not grant loans or act as guarantor on behalf of third parties. This limitation will not prevent the Company from acquiring transferable securities, money market instruments or other financial instruments referred to 1) above.

g) The Company will not mortgage, pledge, hypothecate or otherwise encumber as security for indebtedness any securities held for the account of any Sub-Fund, except as may be necessary in connection with the borrowings mentioned in e) above, and then such mortgaging, pledging, or hypothecating may not exceed 10% of the net asset value of each Sub-Fund. In connection with swap transactions, option and forward exchange transactions or futures transactions the deposit of securities or other assets in a

separate account shall not be considered a mortgage, pledge or hypothecation for this purpose.

h) The Company will not underwrite or sub-underwrite securities of other issuers. In accordance with the above Investment Restrictions, each Sub-Fund may employ techniques and instruments relating to transferable securities and money market instruments providing that these techniques and instruments are used for the purpose of efficient portfolio management. A Sub-Fund may also employ techniques and instruments intended to provide protection against foreign exchange risks in the context of the management of the assets and liabilities of the Sub-Fund (see below). The Board of Directors may impose other investment restrictions at any time in the interest of the shareholders whenever necessary to comply with the laws and requirements of those countries where the Company Shares are offered.

## **E. INVESTMENT TECHNIQUES**

### **1) Techniques and Instruments relating to transferable securities and money market instruments**

Subject to the conditions under A. 1) g) above and any limitations set out in their respective investment policies, the Sub-Funds may use the following techniques and instruments for the purpose of efficient portfolio management.

For the purpose of efficient portfolio management, the Sub-Fund may undertake transactions relating to financial futures, warrants and options contracts traded on a Regulated Market. Alternatively, the Sub-Fund may undertake transactions relating to options, swaps entered into by private agreement (OTC) with highly rated financial institutions specialising in this type of transaction and participating actively in the relevant OTC market.

#### ***1. Options on transferable securities/ money market instruments***

The Sub-Fund may buy and sell put and call options on transferable securities and money market instruments.

At the conclusion as well as during the existence of contracts for the sale of call options on securities, the Sub-Fund will hold either the underlying securities, matching call options, or other instruments

(such as warrants) that provide sufficient coverage of the commitments resulting from these transactions.

The underlying securities related to call options written may not be disposed of as long as these options are outstanding unless such options are covered by matching options or by other instruments that can be used for that purpose. The same applies to equivalent call options or other instruments which the Sub-Fund must hold where it does not have the underlying securities at the time of the writing of such options.

A Sub-Fund may not write uncovered call options on transferable securities and money market instruments. As a derogation from this rule, a Sub-Fund may write call options on securities that it does not hold at inception of the transaction, if the aggregate exercise price of such uncovered call options written does not exceed 25% of the net asset value of the Sub-Fund and the Sub-Fund is, at any time, in a position to cover the open position resulting from such transactions.

Where a put option is sold, the Sub-Fund's corresponding portfolio must be covered for the full duration of the contract by adequate liquid assets that would meet the exercise value of the contract, should the option be exercised by the counterparty.

#### ***2. Hedging through Stock Market Index Futures, Warrants and Options.***

As a global hedge against the risk of unfavourable stock market movements, a Sub-Fund may sell futures contracts on stock market indices, and may also sell call options, buy put options or transact in warrants on stock market indices, provided there is sufficient correlation between the composition of the index used and the Sub-Fund's corresponding portfolio.

The total commitment resulting from such futures, warrants and option contracts on stock market indices may not exceed the global valuation of securities held by the relevant Sub-Fund's corresponding portfolio in the market corresponding to each index.

#### ***3. Hedging through Interest Rate Futures, Options, Warrants, Swaps.***

As a global hedge against interest rate fluctuations, a Sub-Fund may sell interest rate futures contracts and may also sell call options, buy put options or transact in warrants on interest rates or enter into OTC



interest rates swaps or swaptions with highly rated financial institutions specialising in this type of instruments.

The total commitment resulting from such futures, option, warrants and swaps contracts and swaptions on interest rates may not exceed the total market value of the assets to be hedged held by the Sub-Fund in the currency corresponding to these contracts.

#### ***4. Futures, Warrants and Options on Other Financial Instruments for a Purpose other than hedging***

As a measure towards achieving a fully invested portfolio and retaining sufficient liquidity, a Sub-Fund may buy or sell futures, warrants and options contracts on financial instruments (other than the transferable securities or currency contracts), such as instruments based on stock market indices and interest rates, provided that these are in line with the stated investment objective and policy of the corresponding Sub-Fund and that the total commitment arising from these transactions together with the total commitment arising from the sale of call and put options on transferable securities at no time exceeds the net asset value of the relevant Sub-Fund.

With regard to the "total commitment" referred to in the preceding paragraph, the call options written by the Sub-Fund on transferable securities for which it has adequate cover do not enter into the calculation of the total commitment.

The commitment relating to transactions other than options on transferable securities shall be defined as follows:

- the commitment arising from futures contracts is deemed equal to the value of the underlying net positions payable on those contracts which relate to identical financial instruments (after setting off all sale positions against purchase positions), without taking into account the respective maturity dates and

- the commitment deriving from options purchased and written as well as warrants purchased and sold is equal to the aggregate of the exercise (striking) prices of net uncovered sales positions which

relate to single underlying assets without taking into account respective maturity dates.

The aggregate acquisition prices (in terms of premium paid) of all options on transferable securities purchased by the Sub-Fund together with options acquired for purposes other than hedging (see above) may not exceed 15% of the net assets of the relevant Sub-Fund.

#### ***5. Securities Lending Transactions and repurchase agreements***

To the maximum extent allowed by, and within the limits set forth in, the 2010 Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, each Sub-Fund may for the purpose of generating additional capital or income or for reducing costs or risks enter, either into any type of repurchase transactions or securities lending transactions.

Should any Sub-Fund enter into any transaction under which such Sub-Fund may receive collateral assets in the context of derivatives or enter into transactions including efficient portfolio management techniques as specified in the Annex of the relevant Sub-Fund, those assets acquired by the relevant Sub-Fund under such derivatives' collateral and/or transactions will conform with the requirements of CSSF Circular 08/356 and CSSF Circular 13/559. In accordance with CSSF Circular 08/356, securities that may be the subject of transactions including efficient portfolio management techniques are limited to the below "Collateral Types":

- (i) short-term bank certificates or money market instruments as defined in Directive 2007/16/EC of 19 March 2007;

- (ii) bonds issued or guaranteed by a Member State of the OECD or by their local public authorities or supranational institutions and undertakings with EU, regional or world-wide scope;

- (iii) bonds issued by non-governmental issuers offering an adequate liquidity;

- (iv) shares quoted or negotiated on a regulated market of a Member State of the European Union or on a stock exchange of a



Member State of the OECD, provided that these shares are included within a main index; and,

(v) shares or units issued by money market UCIs calculating a daily net asset value and being assigned a rating of AAA or its equivalent.

The securities acquired by any Sub-Fund as derivatives' collateral and/or under transactions including efficient portfolio management techniques must be issued by an entity that is independent from the counterparty and which is not expected to display a high correlation with the performance of the counterparty.

A haircut may be applied to the value of the securities acquired by the relevant Sub-Fund as derivatives' collateral and/or under transactions including efficient portfolio management techniques. Such haircut will be determined by the Management Company based on criteria, including, but not limited to:

- nature of the security
- maturity of the security (when applicable)
- the security issuer rating (when applicable)

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

Collateral Type	Margin
(i)	100% - 102%
(ii)	100% - 110%
(iii)	100% - 115%
(iv)	100% - 135%
(v)	100% - 102%

Collateral types denominated in a currency other than the currency of the relevant Sub-Fund may be subject to an additional haircut.

No direct or indirect fees will be charged by the counterparty to efficient portfolio management transactions (if any). All the revenues arising from such transactions will be returned to the relevant Sub-Fund.

Should any Sub-Fund reinvest cash collateral, this will be disclosed in the relevant Appendix. Such reinvestment will be in accordance with applicable rules and regulations including but not limited to CSSF Circular 13/599.

## **2) Techniques and Instruments to protect against exchange risks**

For the purpose of protecting against currency fluctuations, the Sub-Fund may undertake transactions relating to financial futures, warrants and options contracts traded on a Regulated Market.

Alternatively, the Sub-Fund may undertake transactions relating to options, swaps and forward contracts entered into by private agreement (OTC) with highly rated financial institutions specialising in this type of transaction and participating actively in the relevant OTC market.

In order to hedge foreign exchange risks, a Sub-Fund may have outstanding commitments in currency futures and/or sell call options, purchase put options or transact in warrants with respect to currencies, or enter into currency forward contracts or currency swaps. The hedging objective of the transactions referred to above presupposes the existence of a direct relationship between the contemplated transactions and the assets or liabilities to be hedged and implies that, in principle, transactions in a given currency may not exceed the valuation of the aggregate assets denominated in that currency nor may they, as regards their duration, exceed the period during which such assets are held.

## **3) Other instruments**

### **(a) Warrants**

Warrants shall be considered as transferable securities if they give the investor the right to acquire newly issued or to be issued transferable securities. The Sub-Funds, however, may not invest in warrants where the underlying is gold, oil or other commodities.

The Sub-Funds may invest in warrants based on stock exchange indices for the purpose of efficient portfolio management.

### **(b) Rules 144 A Securities**

The Sub-Funds may invest in so-called Rule 144A securities which are securities that are

not required to be registered for resale in the United States under an exemption pursuant to Section 144A of the 1933 Act ("Rule 144A Securities"), but can be sold in the United States to certain institutional buyers. A Sub-Fund may invest in Rule 144A Securities, provided that: such securities are issued with registration rights pursuant to which such securities may be registered under the 1933 Act and traded on the US OTC Fixed Income Securities market. Such securities shall be considered as newly issued transferable securities.

In the event that any such securities are not registered under the 1933 Act within one year of issue, such securities shall be considered as subject to the 10% limit of the net assets of the Sub-Fund applicable to the category of non-listed securities.

#### (c) Structured Notes

Subject to any limitations in its investment objective and policy and to the Investment Restrictions outlined above, each Sub-Fund may invest in structured notes, comprising listed government bonds, medium-term notes, certificates or other similar instruments issued by prime rated issuers where the respective coupon and/or redemption amount has been modified (or structured), by means of a financial instrument.

The Investment Restrictions apply on the issuer of the Structured Note and also on its underlying assets.

These notes are valued by brokers with reference to the revised discounted future cash flows of the underlying assets.

#### **Risk Management Process**

The Company will employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The Company will employ, if applicable, a process for accurate and independent assessment of the value of any OTC derivative instruments.

#### **Risk Warning on Derivatives Instruments**

**A Sub-Fund's use of derivatives such as futures, options, warrants, forwards and swaps involves increased risks. A Sub-Fund's ability to use such instruments**

**successfully depends on the ability of its Management Company to accurately anticipate movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the anticipations of the Management Company are wrong, or if the derivatives do not work as anticipated, the Sub-Fund could suffer greater losses than if the Sub-Fund had not used the derivatives.**

**Derivative instruments are highly volatile instruments and their market values may be subject to wide fluctuations.**

**The entering into swap transactions is subject to potential counterparty and issuer risk. In the event of the insolvency or default of the counterparty or issuer, the relevant Sub-Fund could suffer a loss.**

#### **Counterparty Risk**

The Company conducts transactions through or with brokers, clearing houses, market counterparties and other agents. The Company will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A Sub-Fund may invest into instruments such as notes, bonds or warrants the performance of which is linked to a market or investment to which the Sub-Fund seeks to be exposed. Such instruments are issued by a range of counterparties and through its investment the Sub-Fund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

The Sub-Fund(s) will only enter into OTC derivatives transactions with first class institutions which are subject to prudential supervision and specialising in these types of transactions.

#### **Potential Conflicts of Interest**

The Investment Manager may effect transactions in which it has, directly or indirectly, an interest which may involve a potential conflict with its duty to the Company. The Investment Manager shall not be liable to account to the Company for any profit, commission or remuneration made or received from or by reason of such transactions or any connected transactions nor will its fees, unless otherwise provided, be abated.

### **Specific risks linked to securities lending and repurchase transactions**

In relation to repurchase transactions, investors must notably be aware that (A) in the event of the failure of the counterparty with which cash of a Sub-Fund has been placed there is the risk that collateral received may yield less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Sub-Fund to meet redemption requests, security purchases or, more generally, reinvestment; and that (C) repurchase transactions will, as the case may be, further expose a Sub-Fund to risks similar to those associated with optional or forward derivative financial instruments, which risks are further described in other sections of this Prospectus.

In relation to securities lending transactions, investors must notably be aware that (A) if the borrower of securities lent by a Sub-Fund fail to return these there is a risk that the collateral received may realise less than the value of the securities lent out, whether due to inaccurate pricing, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; that (B) in case of reinvestment of cash collateral such reinvestment may (i) create leverage with corresponding risks and risk of losses and volatility, (ii) introduce market exposures inconsistent with the objectives of the Sub-Fund, or (iii) yield a sum less than the amount of collateral to be returned; and that (C) delays in the return of securities on loans may restrict the ability of a Sub-Fund to meet delivery obligations under security sales.

## **II. Net Asset Value**

The net asset value per share (hereinafter the "**Net Asset Value per Share**") of each Class in each Sub-Fund will be calculated by the Administrative Agent in the reference currency (hereinafter the "**Reference Currency**") of each Sub-Fund and Class.

The Net Asset Value per Share is calculated on each Valuation Day as defined in the relevant Appendices, and at least twice per month. The Net Asset Value per Share for all Sub-Funds will be determined on the basis of the last available closing prices or other reference prices as specified in the relevant Appendices. If since the close of business, there has been a material change in the quotations on the markets on which a substantial portion of the investments attributable to a particular Sub-Fund are dealt or quoted, the Company may, in order to safeguard the interests of shareholders and the Company, cancel the first valuation and carry out a second valuation prudently and in good faith.

The Net Asset Value per Share of each Class of Shares for all Sub-Funds is determined by dividing the value of the total assets of the Sub-Fund properly allocable to such Class of Shares less the liabilities of the Sub-Fund properly allocable to such Class of Shares by the total number of Shares of such Class outstanding on any Valuation Day.

The Net Asset Value of the Classes of Shares may differ within each Sub-Fund as a result of the differing "*taxe d'abonnement*", the dividend policy, the management fee, the subscription and redemption fees for each Class. In calculating the Net Asset Value per Share, income and expenditure are treated as accruing on a daily basis.

The calculation of the Net Asset Value per Share of the different Classes of Shares shall be made in the following manner:

#### **a) The assets of the Company shall be deemed to include:**

- 1) all cash on hand or on deposit, including any interest accrued thereon;
- 2) all bills and demand notes payable and accounts receivable (including proceeds of securities sold but not delivered);
- 3) all bonds, time notes, certificates of deposit, shares, stock, debentures, debenture stocks, units or shares of undertakings for collective investment, subscription rights, warrants, options and other securities, financial instruments and similar assets owned or contracted for by the Company (provided that the Company may make adjustments

in a manner not inconsistent with paragraph (i) below with regards to fluctuations in the market value of securities caused by trading ex-dividends, ex-rights, or by similar practices);

- 4) all stock dividends, cash dividends and cash distributions receivable by the Company to the extent information thereon is reasonably available to the Company;
- 5) all interest accrued on any interest-bearing assets owned by the Company except to the extent that the same is included or reflected in the principal amount of such assets;
- 6) the preliminary expenses of the Company, insofar as the same have not been written off;
- 7) all other assets of any kind and nature including expenses paid in advance.

The value of such assets shall be determined as follows:

- i) The value of any cash on hand or on deposit bills and demand notes and accounts receivable, prepaid expenses, cash dividends, interest declared or accrued and not yet received, all of which are deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof;
- ii) securities listed on a recognised stock exchange or dealt on any other regulated market (hereinafter referred to as a "**Regulated Market**") that operates regularly, is recognised and is open to the public, will be valued at their last available closing prices, or, in the event that there should be several such markets, on the basis of their last available closing prices on the main market for the relevant security;

- iii) in the event that the last available closing price does not, in the opinion of the directors, truly reflect the fair market value of the relevant securities, the value of such securities will be defined by the directors based on the reasonably foreseeable sales proceeds determined prudently and in good faith;
- iv) securities not listed or traded on a stock exchange or not dealt on another regulated market will be valued on the basis of the probable sales proceeds determined prudently and in good faith by the Directors;
- v) the value of financial derivative instruments traded on exchanges or on other Regulated Markets shall be based upon the last available settlement prices of these financial derivative instruments on exchanges and Regulated Markets on which the particular financial derivative instruments are traded by the Company; provided that if financial derivative instruments could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the value of such financial derivative instruments shall be such value as the Directors may deem fair and reasonable;
- vi) the financial derivative instruments which are not listed on any official stock exchange or traded on any other organised market will be valued in a reliable and verifiable manner on a daily basis and verified by a competent professional appointed by the Company;
- vii) Investments in open-ended UCIs will be valued on the basis of the last available net asset value of the units or shares of such UCIs;
- viii) All other securities and other assets will be valued at fair market value as determined in good faith pursuant to procedures established by the Board of Directors.

- ix) liquid assets and money market instruments may be valued at market value plus any accrued interest or on an amortised cost basis as determined by the Board of Directors. All other assets, where practice allows, may be valued in the same manner. If the method of valuation on an amortised cost basis is used, the portfolio holdings will be reviewed from time to time under the direction of the Board of Directors to determine whether a deviation exists between the Net Asset Value calculated using the market quotation and that calculated on an amortised cost basis. If a deviation exists which may result in a material dilution or other unfair result to investors or existing shareholders, appropriate corrective action will be taken including, if necessary, the calculation of the Net Asset Value by using available market quotations; and
  - x) in the event that the above mentioned calculation methods are inappropriate or misleading, the Board of Directors may adjust the value of any investment or permit some other method of valuation to be used for the assets of the Company if it considers that the circumstances justify that such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investments.
- b) The liabilities of the Company shall be deemed to include:
- i) all loans, bills and accounts payable;
  - ii) all accrued or payable administrative expenses (including global management fees, distribution fees, depositary fees, administrative agent fees, registrar and transfer agent fees, nominee fees and other third party fees);
  - iii) all known liabilities, present and future, including all matured contractual obligations for payment of money or property;
  - iv) an appropriate provision for future taxes based on capital and income to the dealing day preceding the Valuation Day, as determined from time to time by the Company, and other reserves, if any, authorised and approved by the directors, in particular those that have been set aside for a possible depreciation of the investments of the Company; and
  - v) all other liabilities of the Company of whatsoever kind and nature except liabilities represented by shares of the Company. In determining the amount of such liabilities, the Company shall take into account all expenses payable by the Company which shall comprise formation expenses, fees payable to its directors (including all reasonable out of pocket expenses), Management Company, investment advisors or investment managers and/or sub-investment managers, accountants, depositary and paying agents, administrative, corporate and domiciliary agents, registrars and transfer agents and permanent representatives in places of registration, and any other agent employed by the Company, fees for legal and auditing services, costs of any proposed listings, maintaining such listings, promotion, printing, reporting and publishing expenses (including reasonable marketing and advertising expenses and costs of preparing, translating and printing in different languages) of Prospectuses, KIIDs, explanatory memoranda or registration statements, annual reports, semi-annual reports and long form reports, taxes or governmental and supervisory authority charges, insurance costs and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Company may calculate administrative and other expenses of a regular or recurring nature on an estimated



figure for yearly or other periods in advance, and may accrue the same in equal proportions over any such period.

All shares in the process of being redeemed by the Company shall be deemed to be issued until the close of business on the Valuation Day applicable to the redemption. The redemption price is a liability of the Company from the close of business on this date until paid.

All shares issued by the Company in accordance with subscription applications received shall be deemed issued from the close of business on the Valuation Day applicable to the subscription. The subscription price is an amount owned to the Company from the close of business on such day until paid.

The net assets of the Company are expressed in EURO and are at any time equal to the total of the net assets of the various Sub-Funds.

#### **A. TEMPORARY SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE PER SHARE**

The Company may suspend temporarily the calculation of the Net Asset Value per Share of one or more Sub-Funds and the issue, sale, redemption and conversion of Shares, in particular, in the following circumstances:

- a) during any period when any of the principal stock exchanges or other markets on which a substantial portion of the investments of the Company attributable to such Sub-Fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended;
- b) during the existence of any state of affairs which constitutes an emergency in the opinion of the Board of Directors as a result of which disposal or valuation of assets owned by the Company attributable to such Sub-Fund would be impracticable;
- c) during any breakdown or restriction in the means of communication normally employed in determining

the price or value of any of the investments of such Sub-Fund or the current price or value on any stock exchange or other market in respect of the assets attributable to such Sub-Fund.

- d) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares of such Sub-Fund or during which any transfer of funds involved in the realization or acquisition of investments or payments due on redemption of Shares cannot, in the opinion of the Board of Directors, be effected at normal rates of exchange;
- e) during any period when in the opinion of the Directors of the Company there exist unusual circumstances where it would be impracticable or unfair towards the shareholders to continue dealing with Shares of any Sub-Fund of the Company or any other circumstance or circumstances where a failure to do so might result in the shareholders of the Company, a Sub-Fund or a Class of Shares incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the shareholders of the Company, a Sub-Fund or a Class of Shares might not otherwise have suffered;
- f) in the event of (i) the publication of the convening notice to a general meeting of shareholders at which a resolution to wind up the Company or a Sub-Fund is to be proposed, or of (ii) the decision of the Board of Directors to wind up one or more Sub-Funds, or (iii) to the extent that such a suspension is justified for the protection of the shareholders, of the notice of the general meeting of shareholders at which the merger of the Company or a Sub-Fund is to be proposed, or of the decision of the Board of Directors to merge one or more Sub-Funds;
- g) where a UCI in which a Sub-Fund has invested a substantial portion of its assets temporarily suspends the repurchase, redemption or subscription of its units, whether on its own initiative or at the request of its competent authorities.



The suspension of calculation of the Net Asset Value of a Sub-Fund shall have no effect on the calculation of the Net Asset Value per Share, the issue, sale, redemption and conversion of Shares of any other Sub-Fund which is not suspended.

Any request for subscription, redemption or conversion shall be irrevocable except in the event of a suspension of the calculation of the Net Asset Value per Share.

Notice of the beginning and of the end of any period of suspension will be published in a Luxembourg daily newspaper if the duration of the suspension is to exceed five days and, as the case may be, in any other newspaper(s) selected by the Board of Directors. Notice will likewise be given to any subscriber or shareholder as the case may be applying for purchase, redemption or conversion of Shares in the Sub-Fund(s) concerned.

## **B. PUBLICATION OF THE NET ASSET VALUE PER SHARE**

The Net Asset Value per Share of each Class within each Sub-Fund is made public at the registered office of the Company and is available at the office of the Depositary. The Company may arrange for the publication of this information in leading financial newspapers. The Company cannot accept any responsibility for any error or delay in publication or for non-publication of prices.

## **III. The Shares (issue and form)**

After the initial subscription period, as defined in the relevant Appendices, Shares will be issued at the Net Asset Value per Share of the relevant Class (the "**Issue Price**"). Fractions of Shares will be issued as determined for each Class and each Sub-Fund in the relevant Appendices, the Company being entitled to receive the adjustment.

The shares may be issued in registered and bearer form. The share register is conclusive evidence of ownership. The Company treats the registered owner of a Share as the absolute and beneficial owner thereof.

If bearer shares are issued, share certificates (the "Share Certificate") shall be issued under supervision of the Depositary. Such Certificates will only be in

denomination of 1, 10, 100 shares. In case a holder of bearer shares requests that rights attaching to such certificates be modified through their conversion into certificates with differing denominations, such shareholders shall bear the cost of such conversion.

The transfer of bearer shares shall be carried out by way of the delivery to the relevant holder of the corresponding Share Certificate. Registered shares are issued in uncertificated form and shall be materialised by an inscription in the register of shareholders unless a Share Certificate is specifically requested at the time of subscription. Any charges in connection with the issue of Share Certificate will be borne by the investors. When Certificates will be issued, such Certificates will only be in denominations of 1, 10 and 100 shares. Should an investor request Share Certificates, these will, in principle, be delivered in Luxembourg within fifteen calendar days of receipt of payment of the purchase price.

Holders of Shares Certificates must return their Share Certificates, duly renounced, to the Company before redemption instructions may be effected. The uncertificated form of Shares enables the Company to effect redemption instructions without undue delay, and consequently the Board of Directors recommends that investors maintain their Shares in uncertificated form.

Shares are freely transferable (with the exception that Shares may not be transferred to a Prohibited Person or a US Person, as defined under paragraph "Subscription Procedure").

Shares do not carry any preferential or preemptive rights and each Share, irrespective of the Class to which it belongs or its Net Asset Value, is entitled to one vote at all general meetings of shareholders. Fractions of Shares are not entitled to a vote but are entitled to a prorata portion of the Company's performance made to the relevant Shares and of the distribution proceeds at the time of liquidation of the Company. Shares are issued with no par value and must be fully paid for on subscription.

Upon the death of a shareholder, the Board of Directors reserves the right to require the provision of appropriate legal documentation in order to verify the rights of all and any successors in title to Shares.

No Shares of any Class will be issued by the Company during any period in which the

determination of the Net Asset Value of the Shares is suspended by the Company, as noted at under "Temporary Suspension of Calculation of the Net Asset Value".

#### **IV. Classes of Shares**

Within each Sub-Fund, the Company may create different Classes of Shares which are entitled to regular dividend payments ("Distribution Shares") or with earnings reinvested ("Capitalisation Shares"), or which differ also by the targeted investors, by the management fees or the subscription / redemption fees.

The amounts invested in the several Classes of Shares of one Sub-Fund are themselves invested in a common underlying portfolio of investments within the Sub-Fund, although the Net Asset Value per Share of each Class of Shares may differ as a result of either the distribution policy, the *"taxe d'abonnement"* and/or the management fees and/or the subscription and redemption fees for each Class.

#### **V. Subscription for Shares**

##### **A. SUBSCRIPTION PROCEDURE**

Subscriptions for Shares can be accepted only on the basis of the current Prospectus and each relevant KIID. The Company will produce an audited annual report (the **"Annual Report"**) containing the audited accounts and an unaudited semi-annual report (the **"Semi-annual Report"**). Following the publication of the first of either report, the current Prospectus at that date will be valid only if accompanied by such Annual Report or Semi-annual Report if more recent. These reports in their latest version will form an integral part of the Prospectus.

An investor's first subscription for Shares must be made to the Registrar and Transfer Agent in Luxembourg or to the Nominee (as described under paragraph "Management and Administration") as indicated on the subscription form (the **"Subscription Form"**). Subsequent subscriptions for Shares may be made in writing or by fax.

The application for subscription of Shares must include the monetary amount or the number of Shares the shareholder wishes to subscribe and the Class(es) and Sub-

Fund(s) from which Shares are to be subscribed.

The Company reserves the right to reject, in whole or in part, any subscription without giving any reason therefore.

Subscriptions for Shares received by the Registrar and Transfer Agent on any Dealing Day (as defined in the Appendix of each Sub-Fund) before any Sub-Fund subscription deadline (the **"Subscription Deadline"** as defined in the Appendix of each Sub-Fund), will be processed on that Dealing Day for Subscription, using the Net Asset Value per Share calculated on the applicable Valuation Day, as defined in the relevant Appendices, and which will be based on the last available closing prices or other reference prices as specified in the relevant Appendices.

**All applications for subscription will be dealt at an unknown Net Asset Value ("forward pricing").**

Different time limits may apply if subscriptions for Shares are made through a Distributor/Nominee and/or any intermediary (including but not limited to correspondent banks which may be appointed in any given country) but in any case, the Nominee/Distributor and/or the intermediary will make sure that on a given Dealing Day (as defined in the Appendix of each Sub-Fund), subscription orders are received by the Registrar and Transfer Agent before the Subscription Deadline. No Distributor/Nominee or intermediary is permitted to withhold subscription orders to benefit personally from a price change. Investors should note that they might be unable to purchase or redeem Shares through a Distributor/Nominee and/or intermediary on days that such Distributor/Nominee or intermediary is not open for business.

Any applications for subscription received after the Subscription Deadline on the relevant Dealing Day will be processed on the next Dealing Day on the basis of the Net Asset Value per Share determined on the following Valuation Day.

Payment for Shares must be received by the Depositary, as more fully described in each relevant Appendix in the Reference Currency of the relevant Sub-Fund, being the currency in which the Shares of a determined Class may be purchased.

The subscription price (not including the sales commission or any other changes) may, upon approval of the Board of Directors, and subject to all applicable laws and regulations, namely with respect to a special audit report confirming the value of any assets contributed in kind (if legally required or required by the Board of Directors), be paid by contributing to the Company assets acceptable to the Board of Directors consistent with the investment policy and investment restrictions of the relevant Sub-Fund. The costs for such subscription in kind, in particular the costs of the special audit report, will be borne by the shareholder requesting the subscription in kind or by a third party, but will not be borne by the Company unless the Board of Directors considers that the subscription in kind is in the interest of the Company or made to protect the interests of the Company.

The Board of Directors shall have power to impose or relax such restrictions on any Sub-Fund or Class of Shares (other than any restrictions on transfer of Shares) (but not necessarily on all Classes of Shares within the same Sub-Fund) as it may think necessary for the purpose of ensuring that no Shares in the Company or no Share of any Sub-Fund in the Company are acquired or held by or on behalf of (a) any person in breach of the law or requirements of any country or governmental or regulatory authority (if the Directors shall have determined that any of them, the Company, any manager of the Company's assets, any of the Company's investment managers or advisers or any other person as determined by the Directors would suffer any disadvantage as a result of such breach) or (b) any person in circumstances which in the opinion of the Board of Directors might result in the Company incurring any liability to taxation or suffering any other pecuniary disadvantage which the Company might not otherwise have incurred or suffered, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority (hereinafter referred to as "**Prohibited Persons**"). As the Company is not registered under the United States Securities Act of 1933, as amended, neither registered under the United States Investment Company Act of 1940, as amended, its Shares may not be offered or sold, directly or indirectly, in the United States of America or its territories or possessions or areas subject to its

jurisdiction, or to citizens or residents thereof (hereinafter referred to as "**US Persons**").

Accordingly, the Company may require any subscriber to provide it with any information that it may consider necessary for the purpose of deciding whether or not he is, or will be, a Prohibited Person or a US Person.

The Company retains the right to offer only one Class of Shares for subscription in any particular jurisdiction in order to conform to local law, custom, business practice or the Company's commercial objectives.

## **B. PAYMENT PROCEDURE**

The currency of payment for Shares of each Sub-Fund will be the Reference Currency as more fully described in the relevant appendices. A subscriber may, however with the agreement of the Administrative Agent, effect payment in any other freely convertible currency. The Administrative Agent will arrange for any necessary currency transaction to convert the subscription monies from the currency of subscription (the "**Subscription Currency**") into the Reference Currency of the relevant Sub-Fund. Any such currency transaction will be effected with the Depositary at the subscriber's cost and risk. Currency exchange transactions may delay any issue of Shares since the Administrative Agent may choose at its option to delay executing any foreign exchange transaction until cleared funds have been received.

Subscription Form accompanies this Prospectus and may also be obtained from the Registrar and Transfer Agent or the Nominee.

If timely payment for Shares is not made, the relevant issue of Shares may be cancelled (or postponed if a Share Certificate has to be issued) and a subscriber may be required to compensate the Company for any loss incurred in relation to such cancellation.

## **C. NOTIFICATION OF TRANSACTION**

A confirmation statement will be sent to the subscriber (or his nominated agent if so requested by the subscriber) as soon as reasonably practicable, providing full details of the transaction. Subscribers should always check this statement to ensure that the transaction has been accurately recorded.

Subscribers are given a personal account number (the "**Account Number**") on acceptance of their initial subscription, and this, together with the shareholder's personal details, is proof of their identity to the Company. The Account Number should be used by the shareholder for all future dealings with the Company and the Registrar and Transfer Agent.

Any change to the shareholder's personal details, loss of Account Number or loss of or damage to a Share Certificate, must be notified immediately to the Registrar and Transfer Agent. Failure to do so may result in the delay of an application for redemption. The Company reserves the right to require an indemnity or other verification of title or claim to title countersigned by a bank, stockbroker or other party acceptable to it before accepting such changes.

If any subscription is not accepted in whole or in part, the subscription monies or the balance outstanding will be returned to the subscriber by post or bank transfer at the subscriber's risk.

#### **D. REJECTION OF SUBSCRIPTIONS**

The Company may reject any subscription in whole or in part, and the Board of Directors may, at any time and from time to time and in its absolute discretion without liability and without notice, discontinue the issue and sale of Shares of any Class in any one or more Sub-Funds.

#### **E. SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE**

No Shares will be issued by the Company during any period in which the calculation of the Net Asset Value of the relevant Sub-Fund is suspended by the Company pursuant to the powers contained in the articles of incorporation of the Company (the "**Articles of Incorporation**") and as discussed under paragraph "Temporary Suspension of Calculation of Net Asset Value per Share".

Notice of suspension will be given to subscribers, and subscriptions made or pending during a suspension period may be withdrawn by notice in writing received by the Company prior to the end of the suspension period. Subscriptions not withdrawn will be processed on the first Dealing Day following the end of the suspension period, on the basis of the Net

Asset Value per Share determined on the applicable Valuation Day.

#### **F. MONEY LAUNDERING PREVENTION**

##### **Fight against Money Laundering and Financing of Terrorism**

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended) as well as circulars of the supervising authority, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar agent of a Luxembourg undertaking for collective investment must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The registrar agent may require subscribers to provide any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the Company, the Registrar and Transfer Agent nor the Administrative Agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

#### **VI. Sales Charges**

The subscription price of the Shares (the "**Subscription Price**") is defined as the "Initial Price" or the "Issue Price" as described in the section "The Shares (issue and form)" plus any sales charge (the "**Sales Charge**").

Detailed information on Sales, Management Fees and Reference Currency for each Class is contained in the relevant Appendices.



## **VII. Redemption of Shares**

Shares of any Class may be redeemed in whole or in part on any Dealing Day on the basis of the Net Asset Value per Share determined on the applicable Valuation Day as described below (the "**Redemption Price**"). Shares redeemed shall be cancelled immediately in the Company's Share Register. Each Sub-Fund shall at all times have enough liquidity to enable satisfaction of any requests for redemption of Shares.

### **A. PROCEDURE FOR REDEMPTION**

Shareholders wishing to have all or some of their Shares redeemed by the Company may apply to do so by fax or by letter to the Registrar and Transfer Agent or to the Nominee.

The application for redemption of Shares must include:

- (a) either (i) the monetary amount the shareholder wishes to redeem; or (ii) the number of Shares the shareholder wishes to redeem, and
- (b) the Class and Sub-Funds from which Shares are to be redeemed.

In addition, the application for redemption must include the shareholder's personal details together with his Account Number and the registered Share Certificate if applicable. Failure to provide any of the aforementioned information may result in delay of such application for redemption whilst verification is being sought from the shareholder.

Subject to the provisions explained below under "Temporary Suspension of Redemption", applications for redemption will be considered as binding and irrevocable by the Company and must be duly signed by all registered shareholders, save in the case of joint registered shareholders where an acceptable power of attorney has been provided to the Company.

Applications for redemption from all Sub-Funds must be received at the specified time determined in the relevant Appendices by the Registrar and Transfer Agent before the redemption deadline (the "**Redemption Deadline**" as defined in the Appendix of each Sub-Fund), and will be processed on that Dealing Day. The Redemption Price

being the Net Asset Value per Share calculated on the applicable Valuation Day, as defined in the relevant Appendices, and which will be based on the last available closing prices or other reference prices as specified in the relevant Appendices on the Valuation Day.

**All applications for redemption will be dealt at an unknown Net Asset Value ("forward pricing").**

Different time limits may apply if redemptions for Shares are made through a Distributor/Nominee and/or any intermediary (including but not limited to correspondent banks which may be appointed in any given country) but in any case, the Nominee/Distributor and/or the intermediary will make sure that on a given Dealing Day (as defined in the Appendix of each Sub-Fund), redemption orders are received by the Registrar and Transfer Agent before the Redemption Deadline. No Distributor/Nominee or intermediary is permitted to withhold redemption orders to benefit personally from a price change. Investors should note that they might be unable to purchase or redeem Shares through a Distributor/Nominee and/or intermediary on days that such Distributor/Nominee or intermediary is not open for business.

A redemption fee may be levied as more described in the relevant Appendices.

Any application for redemption received after the Redemption Deadline on the relevant Dealing Day will be processed on the next Dealing Day on the basis of the Net Asset Value per Share determined on the following Valuation Day.

A confirmation statement will be sent to the shareholder detailing the redemption proceeds due thereto as soon as reasonably practicable after determination of the Redemption Price of the Shares being redeemed. Shareholders should check this statement to ensure that the transaction has been accurately recorded.

The Redemption Price of Shares in any Class may be higher or lower than the Initial Subscription Price paid by the shareholder depending on the Net Asset Value per Share of the Class at the time of redemption.

Payment for Shares redeemed will be effected in the delay determined in the relevant Appendices. If necessary, the Administrative Agent will arrange the

currency transaction required for conversion of the redemption monies from the Reference Currency of the relevant Class into the relevant Subscription Currency. Such currency transaction will be effected with the Depositary at the relevant shareholder's cost.

The Board of Directors reserves the right to delay payment for a further five Luxembourg Business Days, without interest accruing, if market conditions are unfavourable, and it is, in the Board of Directors' reasonable opinion, in the best interest of the remaining shareholders. However, the delay for the payment of redeemed Shares will not exceed 5 Luxembourg Business Days.

All redeemed Shares shall be cancelled by the Company.

### **Redemption in kind**

With the consent of or upon request of the shareholder(s) concerned, the Board of Directors may (subject to the principle of equal treatment of shareholders) satisfy redemption requests in whole or in part in kind by allocating to the redeeming shareholders investments from the portfolio set up in connection with the relevant Sub-Fund in value equal to the Net Asset Value attributable to the Shares to be redeemed. Such redemption will, if required by law or regulation or the Board of Directors, be subject to a special audit report by the approved statutory auditor of the Company confirming the number, the denomination and the value of the assets which the Board of Directors will have determined to be contributed in counterpart of the redeemed Shares. The costs for such redemptions in kind, in particular the costs of the special audit report, will be borne by the shareholder requesting the redemption in kind or by a third party, but will not be borne by the Company unless the Board of Directors considers that the redemption in kind is in the interest of the Company or made to protect the interests of the Company. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Shares in the relevant Sub-Fund.

## **VIII. Temporary Suspension of Redemption**

The right of any shareholder to require the redemption of its Shares of the Company will be suspended during any period in which the calculation of the Net Asset Value per Share of the relevant Sub-Fund is suspended by the Company pursuant to the powers as discussed under paragraph "Temporary Suspension of Calculation of the Net Asset Value". Notice of the suspension period will be given to any shareholder tendering Shares for redemption. Withdrawal of an application for redemption will only be effective if written notification is received by the Registrar and Transfer Agent before termination of the period of suspension, failing which the Shares in question will be redeemed on the first Dealing Day following the end of the suspension period on the basis of the next Net Asset Value per Share determined.

### **A. COMPULSORY REDEMPTION**

If the Company discovers at any time that Shares are owned by a Prohibited Person or a US Person, either alone or in conjunction with any other person, whether directly or indirectly, the Board of Directors may at their discretion and without liability, compulsorily redeem the Shares at the Redemption Price as described above after giving notice of at least ten calendar days, and upon redemption, the Prohibited Person or the US Person will cease to be the owner of those Shares. The Company may require any shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person or a US Person.

### **B. PROCEDURES FOR REDEMPTIONS AND CONVERSIONS REPRESENTING 10% OR MORE OF THE NET ASSETS OF ANY SUB-FUND**

If any application for redemption or conversion is received in respect of any one Valuation Day (the "**First Valuation Day**"), which either singly or when aggregated with other such applications so received, represents more than 10% of the Net Asset Value of any Sub-Fund, the Company reserves the right, in its sole and absolute discretion and without liability (and in the reasonable opinion of the Board of Directors to do so is in the best interest of the remaining shareholders), to scale down pro rata each application with respect to such First Valuation Day so that not more than



10% of the Net Asset Value of the Sub-Funds be redeemed or converted on such First Valuation Day.

To the extent that any application for redemption or conversion is not given full effect on such First Valuation Day by virtue of the exercise by the Company of its power to pro-rate applications, such application shall be treated with respect to the unsatisfied balance thereof as if a further request had been made by the shareholder in question in respect of the next Valuation Day and, if necessary, subsequent Valuation Days, until such application shall have been satisfied in full.

With respect to any application received in respect of the First Valuation Day, to the extent that subsequent applications shall be received in respect of following Valuation Days, such later applications shall be postponed in priority to the satisfaction of applications relating to the First Valuation Day, but subject thereto shall be dealt with as set out above.

### **IX. Conversion of Shares into Shares of a different Sub-Fund**

Unless otherwise mentioned in the Appendices, conversions of Shares between Sub-Funds and between Classes of Shares are possible as detailed hereunder. Also, unless otherwise mentioned in the Appendices, no conversion fee will be levied.

Shareholders may convert all or part of their Shares into Shares of another Class of the same Sub-Fund or of other Sub-Funds by application in writing or by fax to the Registrar and Transfer Agent or the Nominee, stating which Shares are to be converted into which Sub-Funds.

The application for conversion must include either the monetary amount the shareholder wishes to convert or the number of Shares the shareholder wishes to convert. In addition, the application for conversion must include the shareholder's personal details together with his Account Number, (and if applicable) the registered Share Certificate.

Failure to provide any of this information may result in delay of the application for conversion.

Applications for conversion must be received by the Registrar and Transfer

Agent in the delay described in the relevant Appendices before the conversion deadline, in Luxembourg (the "**Conversion Deadline**" as defined in the Appendix of each Sub-Fund), and will be processed on that Dealing Day, using the Net Asset Value calculated on the applicable Valuation Day, as defined in the relevant Appendices, which will be based on the last available closing prices or other reference prices as specified in the relevant Appendices on such Valuation Day.

**All applications for conversion will be dealt at an unknown Net Asset Value ("forward pricing").**

Any application received after the Conversion Deadline on Dealing Day will be processed on the next Dealing Day, on the basis of the Net Asset Value per Share determined on the following Valuation Day.

Applications for conversion on any one Valuation Day, which either singly or when aggregated with other such applications so received, represent more than 10% of the Net Asset Value of any one Sub-Fund, may be subject to additional procedures set forth under paragraph "Procedures for Redemptions and Conversions Representing 10% or more of the net assets of any Sub-Fund."

The rate at which all or part of the Shares in an original Sub-Fund are converted into Shares in a new Sub-Fund or a new Class of Shares is determined in accordance with the following formula:

$$A = \frac{(B \times C \times D)}{E}$$

where:

- A is the number of Shares to be allocated in the new Sub-Fund / Class;
- B is the number of Shares of the original Sub-Fund / Class to be converted;
- C is the Net Asset Value per Share of the original Sub-Fund / Class on the relevant Valuation Day;
- D is the actual rate of exchange on the day concerned in respect of the Reference Currency of the original Sub-Fund / Class and the Reference Currency of the new Sub-Fund / Class;

E is the Net Asset Value per Share of the new Sub-Fund / Class on the relevant Valuation Day.

Following such conversion of Shares, the Administrative Agent will inform the shareholder of the number of Shares of the new Sub-Fund / Class obtained by conversion and the price thereof.

## **X. Company Charges**

**The Company will pay a global fee, as a % of its Net Asset Value, to the Management Company out of which the Management Company will pay all operating expenses of the Company.**

Each of the Administrative Agent, the Depositary and the Registrar and Transfer Agent are entitled to receive fees pursuant to the relevant agreements between each of them and the Management Company and in accordance with usual market practices. Such fees are payable quarterly in arrears.

In addition, reasonable disbursements and out-of-pocket expenses incurred by such parties are charged to the Management Company as appropriate.

Except for the "*taxe d'abonnement*" which shall be borne by the Company, the Management Company will also bear all other expenses which include, without limitation, taxes, expenses for legal and auditing services, costs of any proposed listings, maintaining such listings, printing Share Certificates, shareholders' reports, Prospectuses, KIIDs, translation costs, all reasonable out-of-pocket expenses of the members of the Board of Directors, registration fees and other expenses payable to supervisory authorities in any relevant jurisdictions, insurance costs, interests, brokerage costs and the costs of publication of the Net Asset Value per Share of each Sub-Fund.

The allocation of costs and expenses to be borne by the Company between the various Sub-Funds will be made in accordance with the Articles of Incorporation of the Company.

The formation expenses will be paid by the Company and will be amortised over a five-year period in equal instalments.

The Management Company and any of its affiliated companies (the "**Connected**

**Persons**") may effect transactions by or through the agency of another person with whom the Management Company and any of the Connected Persons have an arrangement under which that party will from time to time provide to or procure for the Management Company and any of the Connected Persons goods, services or other benefits, such as research and advisory services, computer hardware associated with specialised software or research services and performance measures etc, the nature of which is such that their provision can reasonably be expected to benefit the Sub-Fund as a whole and may contribute to an improvement in the Sub-Fund's performance and that of the Management Company or any of the Connected Persons in providing services to the Sub-Fund and for which no direct payment is made but instead the Management Company and any of the Connected Persons undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

The Management Company and any Connected Person shall not retain the benefit of any cash commission rebate (being cash commission repayment made by a broker or dealer to the Management Company and/or any Connected Person) paid or payable from any such broker or dealer in respect of any business placed with such broker or dealer by the Management Company or any Connected Person for or on behalf of the Sub-Fund. Any such cash commission rebate received from any such broker or dealer shall be held by the Management Company and any Connected Person for the account for the Sub-Fund. Brokerage rates will not be excessive of customary brokerage rates.

## **XI. Distribution Policy**

Unless otherwise mentioned in the Appendices, the Company does intend to distribute neither its investment income nor the net capital gains realised as the management of the Company is oriented towards capital gains. The Board of Directors shall therefore recommend the reinvestment of the results of the Company and as a consequence no dividend shall be paid to shareholders unless payments of dividends are provided for in the Annex of each Sub-Fund.

In any case, no distribution of dividends may be made if, as a result, the share capital of the Company would fall below the minimum capital required by the Luxembourg law.

Notwithstanding, the Board of Directors may propose to the Annual General Meeting of Shareholders the payment of a dividend if it considers it is in the interest of the Shareholders; in this case, subject to approval of the Shareholders, a cash dividend may be distributed out of the available net investment income and the net capital gains of the Company.

Upon proposal of the Board of Directors, the Annual General Meeting of Shareholders may also decide to distribute to the Shareholders a dividend in the form of Shares of one or more Sub-Funds, in proportion to the existing Shares of the same Sub-Fund, if any, already held by each Shareholder.

In relation to the Distribution Shares existing in certain Sub-Funds (please refer to Appendices), it is intended that the Company will distribute dividends in the form of cash in the relevant Sub-Fund's Base Currency at the periodicity and conditions set forth in the Annex of each Sub-Fund. The Board of Directors may decide also that dividends be automatically reinvested by the purchase of further Shares. In such case, the dividends will be paid to the Registrar and Transfer Agent who will reinvest the money on behalf of the Shareholders in additional Shares of the same Class. Such Shares will be issued on the payment date at the Net Asset Value per Share of the relevant Class in non-certificated form. Fractional entitlements to registered Shares will be recognised for each Class according the mention determined in the relevant Appendix.

Dividends due on Bearer Shares will be distributed in accordance with the dividend payment instruction given by holders of bearer Shares to the Registrar and Transfer Agent, on deposit of relevant coupons.

Declared dividends not claimed within five years of the due date will lapse and revert to the Company. No interest shall be paid on a dividend declared and held by the Company at the disposal of its beneficiary.

## **XII. Taxation**

The information set forth below is based on law and administrative practice in Luxembourg as at the date of this Prospectus and may be subject to modification thereof.

### **A. LUXEMBOURG**

#### **1. THE COMPANY**

At the date of this Prospectus, the Company is not liable to any Luxembourg tax other than an annual tax, payable quarterly, of 0.05% of the Net Asset Value of the Classes of Shares (should there be a Class of Shares dedicated to institutional investors within the meaning of article 174 (2) of the 2010 Law, then the percentage of tax will be 0.01% for this specific Class); this Net Asset Value will exclude the proportion of net assets of the respective Class of Shares as of the last day of the relevant quarter represented by units or shares held in other Luxembourg undertakings for collective investment, to the extent that such units or shares have already been subject to the subscription tax provided for by the 2010 Law, for which no subscription tax shall be levied. Furthermore, the Company was liable to a once-and-for-all tax of EUR 1.250.- that was paid upon incorporation.

Investment income from dividends and interest received by the Company may be subject to withholding taxes at varying rates. Such withholding taxes are not usually recoverable.

#### **2. SHAREHOLDERS**

Shareholders are not subject to other tax in Luxembourg except for shareholders who are domiciled, resident or have a permanent establishment in Luxembourg.

Prospective investors should inform themselves of, and where appropriate take advice on, the laws and regulations (such as those relating to taxation, foreign exchange controls and being Prohibited Persons) applicable to the subscription, purchase, holding, conversion and redemption of Shares in the country of their citizenship, residence or domicile, and also of the current tax status of the Company in Luxembourg.

**B. EU Tax Considerations for individuals resident in the EU or in certain third countries or dependent or associated territories**

Under the EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments (the "EU Savings Directive"), dividends and other distributions of income made by the Company and payment of the proceeds of sale and/or redemption of Shares, may (depending on the investment portfolio of the Company) be subject to the withholding tax and/or information providing regime imposed by the EU Savings Directive, where payment is made to a Shareholder who is an individual resident in a member state of the European Union for the purposes of the EU Savings Directive (or a "residual entity" established in such a member state) by a paying agent resident in another such member state. A withholding tax regime is being operated, for a transitional period only, by, among others, Luxembourg. Shareholders can, however, authorise their paying agent to provide information about the payments to their national tax authority rather than have tax withheld ("exchange of information option"). Shareholders can further avoid the tax to be withheld by providing an appropriate certificate, issued by their relevant tax authorities, to their paying agent ("certificate option"). As the case may be, depending notably on the relevant paying agent, the exchange of information option may only be available whilst the certificate option is not, or vice versa. The rate of withholding tax is 35% of the savings income (as defined in the EUSD Laws (as defined below)) contained within the payment. Certain other jurisdictions (including Switzerland) have, or are proposing to introduce, an equivalent withholding tax and/or information providing regime in respect of payments made through a paying agent established in such jurisdictions.

The EU Savings Directive and certain agreements concluded with certain dependent or associated territories ("Territories") have been implemented in Luxembourg by the laws dated 21 June 2005 (the "EUSD Laws"). Under the EUSD Laws, interest payments made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the EUSD Laws, which are resident of, or established

in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax rate of 35%. Responsibility for withholding tax will be assumed by the Luxembourg paying agent. No withholding tax will be levied by the Luxembourg paying agent if the relevant Shareholder (i) either has expressly authorised the paying agent to report information to the tax authorities in accordance with the provisions of the EUSD Laws, or (ii) has provided the paying agent with a certificate drawn up in the format required by the competent authorities of his State of residence for tax purposes.

The Luxembourg government has announced that it will elect out of the withholding system in favour of the automatic exchange of information with effect as from 1 January 2015.

Dividends distributed by a Sub-Fund will include savings income subject to the EU Savings Directive and (except where the paying agent is not established in Luxembourg) the EUSD Laws (unless the paying agent is not established in Luxembourg) if more than 15% of such Sub-Fund's assets are invested in debt claims (as defined in the EUSD Laws) and proceeds realised by Shareholders on the redemption or sale of Shares in a Sub-Fund will include savings income subject to the EU Savings Directive and (except where the paying agent is not established in Luxembourg) the EUSD Laws (unless the paying agent is not established in Luxembourg) if more than 25% of such Sub-Fund's assets are invested in debt claims.

The European Commission has adopted a proposal to amend the EU Savings Directive, with a view to closing existing loopholes and eliminating tax evasion. These changes broadly relate to the scope of, and mechanisms implemented by, the EU Savings Directive. If these changes are implemented, the position of Shareholders in relation to the EU Savings Directive could be different to that set out above.

**XIII. The Company - General Information**

The Company, formerly named "Symphonia Investment Fund" has been incorporated on 7 November 2003 under Luxembourg laws as a "*société d'investissement à capital variable*" for an unlimited period of time with a constitutive capital of EUR 31.000 under the Luxembourg law of 30<sup>th</sup> March 1988 relating



to undertakings for collective investment. Further to a decision of the extraordinary general meeting of shareholders of the Company, the Company is now subject to Part I of the 2010 Law and the Articles of Incorporation have been amended accordingly. Its registered office is established in Luxembourg. The Articles of Incorporation have been deposited with the *Registre de Commerce et des Sociétés* of Luxembourg ("**RCS**") and have been published in the *Recueil des Sociétés et Associations* (the "**Mémorial**") on 25 November 2003. The Company is registered with the RCS under number B 96.732.

The Articles of Incorporation may be amended from time to time by a general meeting of shareholders, subject to the quorum and majority requirements provided by the laws of Luxembourg.

The Company is established as an umbrella fund and will issue Shares in different Classes in the different Sub-Funds. The Directors shall maintain for each Sub-Fund a separate portfolio.

Vis-à-vis third parties, the Company shall constitute one single legal entity, but in accordance with article 181 of the 2010 Law, the assets of a particular Sub-Fund are only applicable to the debts, engagements and obligations of that Sub-Fund. The assets, commitments, charges and expenses which cannot be allocated to one specific Sub-Fund will be charged to the different Sub-Funds proportionally to their respective net assets, and prorata temporis, if appropriate due to the amounts considered.

In relation between shareholders, each Sub-Fund is treated as a separate legal entity.

For consolidation purposes, the base currency of the Company is the EURO.

## **XIV. Management and Administration**

### **A. THE BOARD OF DIRECTORS**

The board of directors of the Company (the "**Board of Directors**"), whose members' names (the "**Directors**") appear on the first pages of this Prospectus, is responsible for the information contained in this Prospectus. They have taken all reasonable care to ensure that at the date of this Prospectus, the information

contained herein is accurate and complete in all material respects. The Board of Directors accepts responsibility accordingly.

Despite the delegation by the Company of the management and administration functions to the Management Company (as described in the next paragraph), the Board of Directors remains responsible for the Company's management, control, administration and the determination of its overall investment objectives and policies.

There are no existing or proposed service contracts between any of the Directors and the Company, although the Directors are entitled to receive remuneration in accordance with usual market practice.

### **B. THE MANAGEMENT COMPANY**

The Board of Directors has designated Lyxor Asset Management S.A.S to act as management company of the Company (the "**Management Company**").

The Management Company has been incorporated on May 19, 1998 for a period of ninety nine years. Its registered office is established in Paris.

As of October 2013, the share capital was 161.106.300 euros. The articles of incorporation of the Management Company were published in R.C.S Nanterre- France on May 19, 1998

It is registered with the *Registre du Commerce et des Sociétés* of Nanterre, France, under reference 418 862 215.

The Management Company has been designated pursuant to a main delegation agreement concluded between the Management Company and the Company, as may be amended from time to time. This agreement is for an indefinite period of time and may be terminated by either party upon 120 days' notice.

The Management Company's main object is the management, the administration and the marketing of UCITS as well as UCIs.

The Management Company shall be in charge of the management and administration of the Company and the distribution of Shares in Luxembourg and abroad.

As of the date of this Prospectus, the Management Company has delegated part of

these functions to the entities described herebelow.

The Management Company has adopted various policies and procedures in accordance with applicable Luxembourg laws and regulations. Shareholders may, in accordance with said laws and regulations, obtain summaries of such policies and procedures.

### **C. THE DISTRIBUTOR AND NOMINEE AGENT**

The Management Company, may delegate under to its responsibility and control to one or several banks, financial institutions and other authorised Intermediaries as distributors and nominees to offer and sell the Shares to investors and handle the subscription, redemption, conversion or transfer requests of shareholders. Subject to the law of the countries where Shares are offered, such Intermediaries may, with the agreement of the Board of Directors, and the Depositary, act as nominees for the investor.

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

Notwithstanding the foregoing, a shareholder may invest directly in the Company without using the services of a nominee. The agreement between the Company and any nominee shall contain a provision that gives the shareholder the right to exercise its title to the Shares subscribed through the nominee.

The Nominee Agent will have no power to vote at any general meeting of shareholders, unless the shareholder grants it a power of attorney in writing his authority to do so.

An investor may ask at any time in writing that the Shares shall be registered in his name and in such case, upon delivery by the investor to the Registrar and Transfer Agent of the relevant confirmation letter of the Nominee, the Registrar and Transfer Agent shall enter the corresponding transfer and investors' name into the shareholder register and notify the Nominee Agent accordingly. However, the aforesaid provisions are not applicable for shareholders who have

acquired Shares in countries where the use of the services of a nominee (or other Intermediary) is necessary or compulsory for legal, regulatory or compelling practical reasons.

In relation to any subscription, an Intermediary authorised to act as nominee is deemed to represent the Directors that:

- a) The investor is not a US Person;
- b) It will notify the Board of Directors and the Registrar and Transfer Agent immediately if it learns that an investor has become a US Person;
- c) In the event that it has discretionary authority with respect to Shares which become beneficially owned by a US Person, the Intermediary will cause such Shares to be redeemed and;
- d) It will not knowingly transfer or deliver any Shares or any part thereof or interest therein to a US Person nor will any Shares be transferred to the United States.

The Board of Directors may, at any time, require Intermediaries who act as nominees to make additional representations to comply with any changes in applicable laws and regulations.

The list of Nominee Agents is available at the registered office of the Company.

### **D. THE DEPOSITARY AND DOMICILIARY AGENT**

Pursuant to a Depositary and Domiciliary Agent Agreement, the Company has appointed CACEIS Bank Luxembourg as depositary and domiciliary agent (the "**Depositary**") of the assets of the Company, which are held either directly by the Depositary or under its control and responsibility through correspondent banks appointed from time to time.

The Depositary in particular ensures that:

- a) the sale, issue, redemption, conversion and cancellation of the Shares effected by or on behalf of the Company are carried out in accordance with the Luxembourg law and the Articles of Incorporation of the Company;



- b) in transactions involving the assets of the Company, the consideration is remitted to it within the usual time limits; and
- c) the income of the Company is applied in accordance with its Articles of Incorporation.

Under the Depositary and Domiciliary Agreement, all securities, cash and other assets of the Company are entrusted to the Depositary.

A description of the Depositary fees is mentioned in the Appendix relating to each Sub-Fund.

The Depositary and Domiciliary Agreement may be terminated by either party upon three (3) months' prior written notice or upon thirty (30) days prior written notice in certain circumstances.

#### **E. THE PAYING AGENT**

Pursuant to a Paying Agent Agreement, the Company has appointed Société Générale Bank & Trust S.A. as paying agent (the "**Paying Agent**") of the Company.

#### **F. THE ADMINISTRATIVE AGENT**

Pursuant to a Central Administration Agreement, CACEIS Bank Luxembourg has been appointed to act as administrative agent of the Company (the "**Administrative Agent**").

CACEIS Bank Luxembourg is empowered to delegate, under its full responsibility, all or part of its duties as central administration to a third Luxembourg entity, with the prior consent of the Board of Directors and the Management Company.

CACEIS Bank Luxembourg is a bank incorporated as a *société anonyme* under the laws of Luxembourg, with its registered office at 5, Allée Scheffer, L-2520 Luxembourg. On 3 May 2010, its paid up capital amounted to EUR 192.000.000.

The Administrative Agent is responsible for, *inter alia*, the daily determination of the Net Asset Value of each Class of the Shares of each Sub-Fund, the proper book-keeping of the Company and all other administrative functions as required by the laws of the Grand Duchy of Luxembourg and as further described in the aforementioned agreement.

A description of the Administrative Agent fees is mentioned in the Appendix relating to each Sub-Fund.

The aforementioned agreement may be terminated by either party upon three (3) months' prior written notice or upon thirty (30) days prior written notice in certain circumstances.

#### **G. THE REGISTRAR AND TRANSFER AGENT**

European Fund Services S.A. has been designated by the Directors of the Management Company under its responsibility and control pursuant to an agreement with the Management Company to act as registrar and transfer agent of the Company (the "**Registrar and Transfer Agent**"). European Fund Services S.A. is a Luxembourg limited company (*société anonyme*) and a member of the Société Générale Group.

Its registered office in Luxembourg is at 28-32, Place de la Gare, L-1616 Luxembourg. The Registrar and Transfer Agent is responsible *inter alia* for handling the processing of subscriptions for Shares, dealing with requests for redemptions and conversions and accepting transfers of funds, for the safekeeping of the shareholders Register of the Company, the delivery of Share Certificates, if requested, the safekeeping of all non-issued Share Certificates of the Company, for accepting Shares Certificates rendered for replacement, redemption or conversion and for providing and supervising the mailing of statements, reports, notices and other documents to the shareholders, as further described in the above mentioned agreement.

A description of the Registrar and Transfer Agent fees is mentioned in the Appendix relating to each Sub-Fund.

The aforementioned agreement may be terminated by either party upon three (3) months' prior written notice or upon thirty (30) days prior written notice in certain circumstances.

#### **H. DISSOLUTION AND LIQUIDATION OF THE COMPANY**

The Company may at any time be dissolved by a resolution taken by the general meeting of shareholders subject to the quorum and majority requirements as defined in the Articles of Incorporation of the Company.

Whenever the capital falls below two thirds of the minimum capital as provided by the 2010 Law, the Board of Directors has to submit the question of the dissolution and liquidation of the Company to the general meeting of shareholders. The general meeting, for which no quorum shall be required, shall decide on simple majority of the votes of the Shares presented and voting at the meeting.

The question of the dissolution and liquidation of the Company shall also be referred to the general meeting of shareholders whenever the capital falls below one quarter of the minimum capital. In such event, the general meeting shall be held without quorum requirements and the dissolution may be decided by the shareholders holding one quarter of the votes present or represented at that meeting.

The meeting must be convened so that it is held within a period of forty days from when it is ascertained that the net assets of the Company have fallen below two thirds or one quarter of the legal minimum as the case may be.

The issue of new Shares by the Company shall cease on the date of publication of the notice of the general meeting of shareholders, to which the dissolution and liquidation of the Company shall be proposed.

This notice will be published in at least two newspapers one of which is in Luxembourg.

One or more liquidators shall be appointed by the general meeting of shareholders to realise the assets of the Company, subject to the supervision of the relevant supervisory authority in the best interests of the shareholders.

The proceeds of the liquidation of each Sub-Fund, net of all liquidation expenses, shall be distributed by the liquidators among the holders of Shares in each Class in accordance with their respective rights. The amounts not claimed by shareholders at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the *Caisse de Consignations* in Luxembourg until the statutory limitation period has lapsed.

## **I. TERMINATION OF A SUB-FUND**

The Directors may decide at any moment the termination of any Sub-Fund. In the case of termination of a Sub-Fund, the Directors may offer to the shareholders of such Sub-Fund the conversion of their Class of Shares into Class of Shares of another Sub-Fund, under terms fixed by the Directors, or the redemption of their Shares for cash at the Net Asset Value per Share (including all estimated expenses and costs relating to the termination) determined on the Valuation Day as described under paragraph "Redemption of Shares".

In the event that for any reason the value of the assets in any Sub-Fund or any Class of Shares within a Sub-Fund has decreased to an amount determined by the Directors as mentioned in the Appendix to be the minimum level for such Sub-Fund or such Class of Shares to be operated in an economically efficient manner, or if a change in the economic or political situation relating to the Sub-Fund concerned would have material adverse consequences on the investments of that Sub-Fund, the Directors may decide to compulsorily redeem all the Shares of the relevant Classes issued in such Sub-Fund at the Net Asset Value per Share (taking into account actual realisation prices of investments and realisation expenses), calculated on the Valuation Day at which such decision shall take effect. The Company shall serve a notice to the shareholders of the relevant Classes of Shares in writing prior to the effective date for such Compulsory Redemption, which will indicate the reasons for, and the procedure of, the redemption operations.

Unless it is otherwise decided in the interests of, or to maintain equal treatment between, the shareholders, the shareholders of the Sub-Fund concerned may continue to request redemption or conversion of their shares free of charge, taking into account actual realisation prices of investments and realisation expenses and prior to the date effective for the compulsory redemption.

Any request for subscription shall be suspended as from the moment of the announcement of the termination, the merger or the transfer of the relevant Sub-Fund or Class of Shares.

Notwithstanding the powers conferred on the Board of Directors by the first paragraph hereof, the general meeting of shareholders of any one Class of Shares issued in a Sub-Fund may, upon proposal from the Directors, redeem all the Shares issued in such Sub-Fund and refund to the shareholders the Net Asset Value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated on the Valuation Day at which such decision shall take effect. There shall be no quorum requirements for such general meeting of shareholders that shall decide by resolution taken by simple majority of those present or represented.

Assets which could not be distributed to their owners upon the implementation of the redemption will be deposited with the *Caisse de Consignations* on behalf of the persons entitled thereto. Amounts so deposited shall be forfeited in accordance with Luxembourg law.

All redeemed Shares shall be cancelled thereafter by the Company.

#### **J. AMALGAMATION, DIVISION OR TRANSFER OF SUB FUNDS**

The Directors may decide at any moment to reorganise a Sub-Fund or Class by means of a division into two or more Sub-Funds or Classes.

The Board of Directors may decide to consolidate a Class of any Sub-Fund. The Board of Directors may also submit the question of the consolidation of a Class to a meeting of holders of such Class. Such meeting will resolve on the consolidation with a simple majority of the votes cast.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraphs, a general meeting of shareholders of any Sub-Fund (or Class as the case may be) may, upon proposal from the Board of Directors, decide (i) that all Shares of such Sub-Fund shall be redeemed and the Net Asset Value of the Shares (taking into account actual realisation prices of investments and realisation expenses) refunded to Shareholders, such Net Asset Value calculated as of the Valuation Day at which such decision shall take effect, (ii) upon the division of a Sub-Fund or the division, consolidation or amalgamation of Classes of Shares in the same Sub-Fund. There

shall be no quorum requirements for such general meeting of Shareholders at which resolutions shall be adopted by simple majority of the votes cast if such decision does not result in the liquidation of the Company. Liquidation proceeds not claimed by the shareholders at the close of the liquidation of a Sub-Fund will be deposited at the Caisse de Consignation in Luxembourg. If not claimed they shall be forfeited in accordance with Luxembourg Law.

A merger of a Sub-Fund with a Sub-Fund of the Company or with a sub-fund of another UCITS, whether subject to Luxembourg law or not, may be decided by the Board of Directors. Shareholders will be informed at least 30 days prior to the last day on which redemptions free of charge may be requested. The Board of Directors may submit the question of the merger of a Sub-Fund to a general meeting of Shareholders of that Sub-Fund. No quorum is required for such meeting and decisions are taken by a simple majority of the votes cast.

In case of a merger of a Sub-Fund or the Company where, as a result, the Company ceases to exist, the merger shall be decided by a meeting of shareholders resolving by a simple majority of the votes cast without a quorum.

**Any merger of a Sub-Fund shall be subject to the provisions on mergers set forth in the 2010 Law and any implementing regulation.**

#### **K. GENERAL MEETINGS**

The annual general meeting of shareholders will be held at the registered office of the Company on the first Friday of April of each year (or the immediately next Luxembourg Business Day if this day is not a Business Day) at 10:00 AM.

Shareholders of a Class of Shares issued in respect of any Sub-Fund may hold, at any time, general meetings to decide on any matters that relate exclusively to such Class of Shares in such Sub-Fund. In addition, the shareholders of any class of shares may hold, at any time, general meetings to decide on any matters that relate exclusively to such Class of Shares.

Notices of all general meetings are sent by mail to all registered shareholders at their registered address at least eight days prior to such meeting. If bearer shares are issued, the notices will be published, according to the

requirements of the Luxembourg law, in the newspapers that the Board of Director may determine. Such notice will indicate the time and place of such meeting and the conditions of admission thereto, will contain the agenda and will refer to the requirements of Luxembourg law with regard to the necessary quorum and majority at such meeting.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the company. Investors are advised to take advice on their rights.

#### **L. ANNUAL AND SEMI-ANNUAL REPORTS**

Audited Annual Reports and unaudited Semi-annual Reports will be made available for public inspection at each of the registered offices of the Company and the Administrative Agent within four, respectively two months following the relevant accounting period, and the latest Annual Report shall be available at least fifteen days before the annual general meeting.

The Company's financial year ends on December 31<sup>st</sup> of each year.

#### **M. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents, as may have been amended, may be inspected free of charge during usual business hours on any weekday (Saturday and public holidays excepted) at the registered office of the Company:

1. The Articles of Incorporation of the Company;
2. The KIIDS;
3. The Main Delegation Agreement;

4. The Investment Management Delegation Agreement;
5. The Depositary, and Domiciliary Agent Agreements;
6. The Paying Agent Agreement;
7. The Central Administration Agreement;
8. The Registrar and Transfer Agent Agreement;
9. The appropriate novation agreements appointing Lyxor Asset Management S.A.S. as Management Company
10. The last audited Annual Report and the Semi-annual Report of the Company.

A copy of the documents listed above may be delivered without cost to interested investors at their request.

Statements made in this Prospectus are based on the laws and practice in force at the date of this Prospectus in Luxembourg, and are subject to changes in those laws and practice.

#### **N. FURTHER INFORMATION**

For further information, please contact the registered office of the Company.

In compliance with the provisions of the 2010 Law, CSSF Regulation 10-4 and CSSF Circular 11/508, the Management Company has implemented and maintains effective certain procedures and strategies including:

- a procedure for the reasonable and prompt handling of complaints received from shareholders: in this context, shareholders are given the opportunity to file complaints free of charge, in the official language(s) of their country of residence, to their respective local representatives or directly to the Management Company using the addresses and contact details provided in this Prospectus, the latter will take care of handling of clients complaints in the most diligent, transparent and objective manner possible;
- strategies for the exercise, to the exclusive benefit of the Sub-Funds concerned, of voting rights attached to instruments held in the portfolios managed by the Management Company:

a summary description of these strategies and the details of the actions taken on the basis of those strategies can be supplied free of charge to investors upon request made to the Management Company.



## **XV. APPENDICES**

**APPENDIX 1**

**ALIAS INVESTMENT – LYXOR HEDGE  
FUND INDEX FUND**

The Reference Currency of the Sub-Fund is the USD

**INVESTMENT OBJECTIVE**

ALIAS INVESTMENT – LYXOR HEDGE FUND INDEX FUND's investment objective is to track the performance of the Lyxor Hedge Fund Index (the "**Index**") during the life of such Sub-Fund.

The anticipated level of the tracking error under normal market conditions is expected to be 0.04%.

**THE INDEX**

• **Index Objectives**

The Index aims to measure the performance of the hedge fund industry as a whole.

To ensure investability and liquidity, the Index Level (as defined hereafter) is based on the performance of hedge funds that belong to the Lyxor Platform.

The Index is reviewed and rebalanced on a monthly basis pursuant to investment guidelines reflecting the evolution of assets under management and liquidity constraints.

The Index is build to fall under the classification of a "financial index" pursuant to article 50(1) (g) of Directive 2009/65/EC and therefore complies with the conditions laid down in article 9 of Directive 2007/16/EC of 19 March 2007, with the guidelines issued by the Committee of European Securities Regulators (CESR) for the classification of hedge fund indices as financial indices as of July 2007, with the requirements of article 9 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the law of 20 December 2002 as amended concerning undertakings of collective investment and implementing the Directive 2007/16/EC of the European Commission implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions and

with the ESMA Guidelines on ETFs and other UCITS issues (the "Conditions").

• **Index Construction**

**Definitions:**

The following is a list of definitions, which should be used in connection with this section:

"Adjusted NAV": means the net asset value of any Eligible Hedge Fund after application of the Capacity Factor.

"Calculation Date": means, relative to a specific Value Date, the date on which the Index Level for that date is computed and published.

"Capacity Factor": for each Target Index Component, the forecasted investability will be quantified by a multiplicator coefficient applied to its gross net asset value.

"Eligible Hedge Funds": means the hedge funds of the Lyxor Platform that offer class A participating shares.

"Index Calculation Agent" or "S&P": Standard & Poor's, a division of The McGraw-Hill Companies, Inc. "Standard & Poor's" is a trademark of The McGraw-Hill Companies, Inc.

"Index Committee": means the committee composed by the Index Sponsor and the Index Calculation Agent.

"Index Currency": US Dollars.

"Index Level": means in respect of any Calculation Date or Official Calculation Date, the level of the Index, expressed in the Index Currency, calculated and published by the Index Calculation Agent on such date. Initial Index Level = 1000.

"Index Sponsor": Société Générale. Société Générale is represented by its segregated unit dedicated to Indices, named "SG Index".

"Indicative NAV": means the net asset value of a Target Index Component computed on a daily basis between the dates of publication of the Official NAV.

"Investability Threshold": means the level of assets under management that Eligible Hedge Funds shall meet to be included in the index calculation. At the launch date,

the Investability Threshold is set at EUR 4,000,000.

"Lyxor Platform": means the Lyxor Asset Management S.A.S platform of hedge funds. Such hedge funds (the "Lyxor Funds") are multi-class investment companies with limited liability incorporated in Jersey under the Companies (Jersey) Law 1991. Participating shares of the Lyxor Funds are listed on the Irish Stock Exchange. Each Lyxor Fund constitutes and is regulated as a "collective investment fund" under the Collective Investment Funds (Jersey) Law, 1988 (as amended). SG Hambros Trust Company (Channel Islands) Limited is the custodian and SG Hambros Fund Managers (Jersey) Limited is the manager and the registrar of the Lyxor Funds. In each case the manager of the Lyxor Funds has delegated certain functions to Lyxor Asset Management S.A.S as sub-manager. The Lyxor Funds operate under the principle of managed accounts: one trading advisor (a hedge fund manager or managed futures specialist) is granted a management mandate to manage the assets of the principal investment portfolio of each Lyxor Fund in accordance with its particular investment strategy.

In relation to each Lyxor Fund, Lyxor Asset Management S.A.S: (i) selects, conducts due diligence on and appoints trading advisors; (ii) negotiates and monitors capacity with each trading advisor and makes Lyxor Funds available for inclusion in the Index; (iii) monitors the risks and verifies that each trading advisor complies with its mandate (Lyxor Asset Management S.A.S may, inter alia, terminate the appointment of a trading advisor if risk limits are breached); (iv) values each Lyxor Fund on a weekly basis.

"Official Calculation Date": means, relative to an Official Value Date, the date on which the Index Level for that date is computed and published. Typically, every Friday on which no Index disruption event or Index extraordinary event exists.

"Official NAV": means the net asset value of a Target Index Component on an Official Calculation Date.

"Official Value Date": means a Value Date on which Target Index Component can be purchased or redeemed (typically each Tuesday).

"Rebalancing Date": means the date as of which the new composition of the indices following a rebalancing is deemed effective. Typically, the first Value Date of each month.

"Review Date": means the date on which the rebalancing procedure takes place. Typically, the Review Date is the Official Calculation Date preceding the Rebalancing Date.

"Target Exposure": means in respect of any Calculation Date or Official Calculation Date, the target exposure to the Target Index Component, expressed in number of shares per index share.

"Target Index Components": means the Eligible Hedge Funds with respect to the Investability Threshold.

"Value Date": means a date on which the net assets values of the relevant Target Index Components are available, and an Index Level is computed. Typically, each weekday is a Value Date.

### **(i) Application of Investability Threshold**

The Target Index Components are determined by applying a capacity filter (the "Investability Threshold") to the Eligible Hedge Funds.

### **(ii) Index construction steps**

Every month, on the Review Date, the list of Target Index Components is determined by the Index Calculation Agent on the basis of the Target Index Components' latest available net asset value.

The Index Calculation Agent then applies the Capacity Factor to each Target Index Components' net asset value on the basis of expected capacity estimates communicated by Lyxor Asset Management S.A.S. The resulting Adjusted NAV is used for the calculation of the Target Exposure of each Target Index Component in the Index. The corresponding Target Exposure is deemed to be the new Index allocation and shall be implemented on the following Rebalancing Date and shall remain effective until the next Rebalancing Date.

### **(iii) Index concentration rules**

The Index concentration rules have been set with a view to ensuring that no Target Index Component should have a Target Exposure of more than 19% of the total

Index allocation at the time of calculation of such Target Exposures, it being nevertheless accepted that, from time to time, one single Target Index Component may have a Target Exposure of up to 34% of such total Index allocation. Any weight in Target Exposures, in excess of the aforementioned Index concentration rules will be redistributed by the Index Calculation Agent, whenever possible, among the other Target Index Components, subject to such Index concentration rules. Please refer to the "Index Substitution" section below for further details in the event that such redistribution would not be feasible for whatever reason.

**(iv) Index reweighting**

The Target Exposure of the Index components are computed on a monthly basis on the basis of the assets under management observed on the Lyxor Platform on the Review Date and the anticipated liquidity constraints. These weightings apply for the entire month and the re-weighting of the Index occur only once a month on the Rebalancing Date. The rebalancing frequency will have no impact in terms of costs in the context of the performance of the investment objective of the Sub-Fund.

• **Role of the Index Committee**

The Index Committee is responsible for:

- Monitoring the level of representativity of the Lyxor Platform with regards to the global hedge fund industry;
- Ensuring an adequate level of investability for the Index;
- Maintaining a sufficient level of diversification among the Index Target Components.

Decisions made by the Index Committee include all matters relating to the Index construction and maintenance. It is the sole responsibility of the Index Committee to decide on all matters relating to methodology, maintenance, constituent selection and Index procedures.

On any Review Date, the Index Committee may review in accordance with the Index Construction Methodology:

- (i) the universe of potential Eligible Hedge Funds;

- (ii) the Investability Threshold;

- (iii) the Capacity Factors;

- (iv) the principles of the algorithm used by the Index Calculation Agent to determine, in respect of each Target Index Component, the Target Exposure.

• **Index calculation and publication**

The official Index Level is calculated by the Index Calculation Agent on each Official Calculation Date using the then current Target Exposures and the last Official NAVs of the Target Index Components. An indicative Index Level is also calculated by the Index Calculation Agent on each Value Date using the Indicative NAVs of the Target Index Components.

The Index Calculation Agent publishes in respect of each Calculation Date or Official Calculation Date, the Index Level and disseminates this Index Level to data vendors such as Bloomberg or Reuters. Any modification to the Index rules decided by the Index Committee will be announced by the Index Calculation Agent on its internet site.

• **Index Substitution**

There is no guarantee that the index construction methodology as described above will not be changed by the Index Sponsor or that the Index Sponsor will not cease to sponsor the Index or that the Index will comply at all times with the Conditions. In the event that the Index is materially modified, that it ceases to exist, that the Index Sponsor ceases to sponsor it, or that the Index no longer complies with the Conditions, the Management Company may decide in its discretion to replace the Index or Index Sponsor by a suitable index, or suitable index sponsor, as applicable, if one is then available.

Shareholders will be promptly informed in the event that the Index or the Index Sponsor is substituted.

• **Additional Information on Index**

Additional information on the Index, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Index can be found on <https://fr.lyxorfunds.com>.

**INVESTMENT POLICY**

The Sub-Fund seeks to achieve its objective through the use of one or more total return swap transactions (each a "Swap", together the "Swaps"). The use of such Swaps may lead to (i) investing in a diversified portfolio of transferable securities (including equities and fixed or variable debt instruments or units or shares of UCITS governed by 2009/65/EC), and (ii) entering into a Swap to track the evolution of the Index and realise the investment objective. The effect of this transaction is that the Sub-Fund exchanges total returns on its portfolio of transferable securities for returns specifically tailored to the Investment Objective of the Sub-Fund.

The counterparty to the Swap is Société Générale which is specialized in that type of transaction and a reference dealer counterparty in OTC derivatives.

The Management Company reserves the right to use other types of Swap structures and use swap counterparties other than Société Générale to achieve the Investment Objective.

The value of the Shares in the Sub-Fund will fall or rise depending on the movements in the Index and Shareholders may get back substantially less than they invested if the Index performs poorly. The Sub-Fund does not offer a protection of capital; however the maximum loss an investor may incur is limited to its investment in the Sub-Fund.

Adjustments of the Swap contract's nominal in the event of eventual subscriptions and redemptions will be performed based on the "mark to market" valuation method.

The valuation of the over-the-counter derivative instruments and swap agreements will be provided by the Counterparty but the Management Company will make its own independent valuation thereof. Such Counterparty will not assume any discretion over the composition of the assets underlying the over-the-counter financial derivative instruments, which are managed by the Management Company.

The valuation of the Swap agreements will be checked by the auditor of the Company during their annual audit mission.

Despite all measures taken by the Company to reach its objectives, these are

subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard.

Within the limits set forth in this Prospectus and on an ancillary basis, the Sub-Fund may hold cash and cash equivalents.

With a view to future optimisation of the management of the Sub-Fund, the Sub-Fund may also carry out, in accordance with applicable laws and regulations (including but not limited to CSSF Circular 08/356 and CSSF Circular 13/559), any transactions including efficient portfolio management techniques such as reverse repurchase agreements which consist of transactions whereby, at maturity, the seller (the counterparty) has the obligation to repurchase the asset sold to the Sub-Fund and the Sub-Fund has the obligation to return the asset bought under the terms of the agreement.

The counterparty to these transactions will be Société Générale, however the Investment Manager reserves the right to use other counterparties in order to achieve the Investment Objective.

Should the Sub-Fund conclude transactions including efficient portfolio management techniques where securities are received by the Sub-Fund, the Sub-Fund shall not sell those securities or give them to a third party as a guarantee/security.

**ELIGIBILITY OF THE SUB-FUND**

The Sub-Fund will not invest more than 10% of its assets in units or shares of other UCITS or other undertakings for collective investment in order to be eligible for investment by UCITS governed by Council Directive 2009/65/EC.

**TARGETED INVESTORS**

The Sub-Fund is dedicated to both retail and institutional investors wishing to have an exposure in alternative management.

**RISK MANAGEMENT**

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



**CLASSES OF SHARES**

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

Class A (EUR)	Class I (EUR)	Class M (EUR)
Class A (USD)	Class I (USD)	
Class A (GBP)	Class I (GBP)	
Class A (CHF)	Class I (CHF)	
Class A (JPY)	Class I (JPY)	
Class A (SEK)	Class I (SEK)	
Class A (NOK)	Class I (NOK)	

Class A Shares are available to all investors. Class I Shares are only available to institutional investors within the meaning of article 174 (2) of the 2010 Law.

Class M Shares are only available to investors through specific distributors selected by the Management Company.

Shares will be issued in registered and/or bearer form.

Fractions of Shares will be issued to three decimal places.

In order to protect Shareholders of Classes not denominated in USD from the impact of currency movements, the Class currency will be hedged back against the USD. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of all Classes.

**INITIAL SUBSCRIPTION PERIOD**

Each of the following Classes of Shares are available for subscription as of the launch date indicated below (the "Launch Date") at the following respective initial prices:

- Class A (EUR) and Class I (EUR) were launched on 29 August 2008 at the initial price of EUR 100 per Share;
- Class A (USD) was launched on 1 June 2010 and Class I (USD) was launched on 29 August 2008 at the initial price of USD 100 per Share;
- Class A (GBP) was launched on 1 June 2010 and Class I (GBP) was launched on 29 August 2008 at the initial price of GBP 100 per Share;

The other Classes of Shares will be launched at a later stage upon decision of the Directors.

**MINIMUM INVESTMENT**

Please refer to the table hereafter for indication on the initial minimum subscription amount and additional minimum subscription amount applicable to each Class of Shares.

Minimum holding requirement: None

The Directors may, for each Class of Shares, waive in their discretion the initial minimum subscription amount and the additional minimum subscription amount.

**SUBSCRIPTION OF SHARES**

Requests for subscription of Shares must be given by indicating either an amount of cash denominated in the Class currency or the number of Shares and shall be centralised by the Registrar and Transfer Agent. In order for requests for subscriptions to be executed on the relevant Dealing Day (i.e. for the avoidance of doubt, on the second Dealing Day that immediately follows such Subscription Deadline) and processed at the Net Asset Value per Share calculated as of the applicable Valuation Day, such requests for subscription must be received on or before the Subscription Deadline (as defined below). Requests for subscriptions received after the Subscription Deadline shall be deemed to have been received before the immediately following Subscription Deadline.

Payment for Shares must be received by the Depositary in cleared funds on the Business Day following the Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

Different time limits may apply if subscriptions are made through intermediaries (including but not limited to correspondent banks appointed in any given country).

**REDEMPTION OF SHARES**

Requests for redemption of Shares must be given by indicating either the monetary amount or the number of Shares the shareholder wishes to redeem, in addition to the Sub-Fund's class from which the Shares are to be redeemed.

This request shall be centralised by the Registrar and Transfer Agent. In order for requests for redemption to be executed on the relevant Dealing Day (i.e. for the

avoidance of doubt, on the second Dealing Day that immediately follows such Redemption Deadline) and processed at the Net Asset Value per Share calculated as of the applicable Valuation Day, such requests for redemption must be received on or before the Redemption Deadline (as defined below). Requests for redemptions received after the Redemption Deadline (as defined below) shall be deemed to have been received before the Redemption Deadline on the following Dealing Day.

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

Different time limits may apply if redemptions are made through intermediaries (including but not limited to correspondent banks appointed in any given country).

### **CONVERSION OF SHARES**

Shareholders may convert all or part of their Shares into Shares of another Class of the same Sub-Fund or of other Sub-Funds provided that conversion of shares may only be effected in Classes denominated in the same currency and by indicating the monetary amount the shareholder wishes to convert.

### **FEES CHARGED TO INVESTORS WHEN BUYING OR SELLING SHARES OF THE SUB-FUND.**

- Subscription charge

For any request for subscription: (i) up to a maximum of 5% of the Net Asset Value per Share of each Class A Shares or each Class M Shares, as the case may be, multiplied by the number of Shares subscribed, and (ii) none in respect of each Class I Shares, in each case as set forth in the table hereafter.

The subscription charge, if any, shall be payable to the Management Company or any distributor or placing agent of the Shares.

- Redemption charge

For any request for redemption: (i) up to a maximum of 1% of the Net Asset Value per Share of each Class A Shares or each Class M Shares, as the case may be, multiplied by the number of Shares redeemed, and (ii) none in respect of each

Class I Shares, in each case as set forth in the table hereafter.

The redemption charge, if any, shall be payable to the Management Company or any distributor or placing agent of the Shares.

### **DEFINITIONS**

"Net Asset Value per Share": means the net asset value per share of the Sub-Fund calculated pursuant the main part of this Prospectus.

"Valuation Day": means with respect to any Dealing Day, the Official Value Date of the Index (as defined above) immediately preceding such Dealing Day.

"Business Day": any full working day in Luxembourg, Jersey and in Paris when the banks are opened for business.

"Dealing Day": As from the launch date, each Business Day immediately following the Official Calculation Date of the Index (as defined above).

"Subscription Deadline" and "Redemption Deadline": In relation to any Dealing Day for such Sub-Fund, the Thursday immediately preceding the corresponding Valuation Day such Dealing Day at 18:00 Luxembourg time at the latest, or if such day is not a Business Day, the immediately preceding Business Day.

For the avoidance of doubt, in the event of any delay in the Official Calculation Date of the Index, the applicable Dealing Day will be postponed accordingly.

### **THE MANAGEMENT COMPANY**

A Management Fee is payable quarterly in arrears by the Company to the Management Company. Such fee is set at a maximum of 1.75% per year (inclusive of VAT) of the Net Asset Value of each Class A Shares, 0.90% per year (inclusive of VAT) of the Net Asset Value of each Class I Shares, and 2.15% per year (inclusive of VAT) of the Net Asset Value of each Class M Shares, as set forth in the table hereafter.

### **ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT, DEPOSITARY AND PAYING AGENT FEES**

A fee not exceeding 0.15 % of the Sub-Fund's Net Asset Value per year (excluding

transaction fees) will be payable quarterly by the Company to the Management Company, the latter being responsible for remunerating the Depositary, the Administrative Agent, the Paying Agent and the Registrar and Transfer Agent for their respective services.

### **LISTING ON THE LUXEMBOURG STOCK EXCHANGE**

It might be contemplated in the future to make an application to list the Shares of the Sub-Fund on one or more European stock exchanges. A list of these stock exchanges can be obtained from the registered office of the Company.

### **PUBLICATION OF THE NET ASSET VALUE**

The Net Asset Value per Share will be available at the registered office of the Fund and will be published on [www.finesti.com](http://www.finesti.com).

### **RISKS WARNING**

The following risk warnings should be considered carefully, but are not meant to be an exhaustive listing of all potential risks associated with an investment in Shares. These risk warnings are indicated for information purposes only and notably cannot be deemed to be a complete description of the risks related to an investment in Shares. When considering investing in Shares, any potential investor should bear in mind that Shares may decline abruptly in value and should be prepared to sustain a total loss of their investment in Shares of the Sub-Fund.

#### **Risk of Losses**

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

The investments and the positions held by of the Sub-Fund are subject to (i) fluctuations in the Index (ii) market fluctuations, (iii) reliability of counterparts and (iv) operational efficiency in the actual implementation of the investment policy adopted by the Sub-Fund in order to realise such investments or take such positions. Consequently, the investments of the Sub-Fund are subject to, inter alia, the risk of declines in the Index (which may be abrupt and severe), market risks, credit exposure risks and operational risks.

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

#### **Volatility**

Investors should be aware that investment in Shares can be very volatile and consequently that they may experience substantial changes in the value of their Shares; the value of Shares can thus change dramatically during any period of time, whatever its length.

#### **Achievement of Sub-Fund's Investment Objective**

No assurance can be given that the Sub-Fund will achieve its Investment Objective, including without limitation achieving capital appreciation that tracks the performance of the Index. There is no assurance that the investment and asset allocation strategy developed by the Management Company, and as presented in the Investment Objective and the Investment Policy as set out herein can lead to a positive performance in the value of the Shares. The Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value.

In addition, the performance of the Net Asset Value of any given Class may deviate from the performance of the Index due to various factors, such as but not limited to the effects of foreign exchange transactions that may be entered into for the account of the relevant Class, the liquidity of the funds of the Lyxor Platform, the holding of cash in the relevant Class and the amount of fees taken out of the relevant Class.

#### **Past Performance**

Past performance of the Sub-Fund and/or any Class of Shares, and/or the Management Company and/or the Index and/or funds of the Lyxor Platform cannot be construed as an indication of the future results of an investment in the Sub-Fund.

#### **Change in Index Methodology**

The methodology of the Index may be altered or amended from time to time at the discretion of the Index Sponsor. The Index Sponsor is outside the control of the Sub-

Fund and the Management Company. Consequently, there is no guarantee that the Index methodology implemented for the Index will remain at all times during the life of the Sub-Fund similar to the Index methodology described hereinabove.

When the Sub-Fund enters into swap transactions, it is subject to potential counterparty and issuer risk. In the event of the insolvency or default of the counterparty or issuer, the Sub-Fund could suffer a loss.

### HISTORICAL PERFORMANCE

In order to provide with significant data, the historical performance analysis will be available in the KIIDs.

### DISCLAIMER

The SG Index (SGI) is a registered trademark of the Société Générale Group (hereinafter referred to as the "Holder"). The Holder grants no guarantee and undertakes no commitment, whether explicitly or implicitly, relative to the results to be obtained through the use of the Index and/or relative to the level at which the said

Index may be at any given moment or day, or of any other type. The Holder will not be liable for any error affecting the Index with regard to any party, and will have no obligation to inform anyone of any possible error affecting the Index. The Index is the exclusive property of Société Générale. Société Générale has contracted with Standard & Poor's to maintain and calculate the Index. Standard & Poor's shall have no liability for any errors or omissions in calculating the Index.

No Shareholder, or any other person or entity, should use or refer to any Société Générale trade name, trademark or service mark to sponsor, endorse, market or promote the Sub-Fund without first contacting Société Générale to determine whether Société Générale's permission is required. Under no circumstances may any person or entity claim any affiliation with Société Générale without the prior written permission of Société Générale.

Standard & Poor's, a division of The McGraw-Hill Companies, Inc. "Standard & Poor's" is a trademark of The McGraw-Hill Companies, Inc.

### Characteristics of the Share classes available in the Sub-Fund

Share class	Maximum subscription fee	Maximum redemption fee	Management Fee	Maximum Performance fee	Minimum subscription amount:	
					Initial	Additional
Class I (EUR)	none	none	0.90 %	0 %	EUR 10 000	EUR 1 000
Class I (USD)					USD 10 000	USD 1 000
Class I (GBP)					GBP 5 000	GBP 5 00
Class I (CHF)					CHF 10 000	CHF 1 000
Class I (JPY)					JPY 1 000 000	JPY 100 000
Class I (SEK)					SEK 100 000	SEK 10 000
Class I (NOK)					NOK 100 000	NOK 10 000
Class A (EUR)	5 %	1 %	1.75 %	0 %	EUR 1 000	EUR 100
Class A (USD)					USD 1 000	USD 100
Class A (GBP)					GBP 500	GBP 50
Class A (CHF)					CHF 1 000	CHF 100
Class A (JPY)					JPY 100 000	JPY 10 000
Class A (SEK)					SEK 10 000	SEK 1 000
Class A (NOK)					NOK 10 000	NOK 1 000
Class M (EUR)	5 %	1%	2.15 %	0 %	EUR 500	EUR 50

## APPENDIX 2

### **ALIAS INVESTMENT – LYXOR SPECIAL SITUATIONS INDEX FUND**

The Reference Currency of the Sub-Fund is the USD

#### **INVESTMENT OBJECTIVE**

ALIAS INVESTMENT – LYXOR SPECIAL SITUATIONS INDEX Fund's investment objective is to track the performance of the Lyxor Special Situations Index (the "**Index**") during the life of such Sub-Fund.

The anticipated level of the tracking error under normal market conditions is expected to be 0.05%.

#### **THE INDEX**

##### **• Index Objectives**

The Index aims to offer easy access to the Special Situations trading advisors of the Lyxor Platform. These trading advisors employ a strategy that encompasses a combination of investment processes targeting equities or bonds whose valuation is altered by a special situation such as spin-offs, industry consolidations, liquidations, reorganizations, share buybacks and other extraordinary corporate transactions that generate investment opportunities.

To ensure investability and liquidity, the Index Level (as defined hereafter) is based on the performance of hedge funds that belong to the Lyxor Platform.

The Index is reviewed and rebalanced on a monthly basis pursuant to investment guidelines reflecting the evolution of assets under management and liquidity constraints.

The Index is built to fall under the classification of a "financial index" pursuant to article 50(1) (g) of Directive 2009/65/EC and therefore complies with the conditions laid down in article 9 of Directive 2007/16/EC of 19 March 2007, with the guidelines issued by the Committee of European Securities Regulators (CESR) for the classification of hedge fund indices as financial indices, with the requirements of article 9 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the law of 20 December 2002 as amended concerning undertakings of collective investment and implementing the

Directive 2007/16/EC of the European Commission implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions and with the ESMA Guidelines on ETFs and other UCITS issues (the "Conditions").

Please also refer to the "Index Substitution" section below for further details in the event that the Conditions would no longer be fulfilled.

##### **• Index Construction**

#### **Definitions:**

The following is a list of definitions, which should be used in connection with this section:

"Adjusted NAV": means the net asset value of any Eligible Hedge Fund after application of the Capacity Factor.

"Calculation Date": means, relative to a specific Value Date, the date on which the Index Level for that date is computed and published.

"Capacity Factor": for each Target Index Component, the forecasted investability will be quantified by a multiplicator coefficient applied to its gross net asset value.

"Eligible Hedge Funds": means the hedge funds of the Lyxor Platform that offer class A participating shares.

"Index Calculation Agent" or "S&P": Standard & Poor's, a division of The McGraw-Hill Companies, Inc. "Standard & Poor's" is a trademark of The McGraw-Hill Companies, Inc.

"Index Committee": means the committee composed by the Index Sponsor and the Index Calculation Agent.

"Index Currency": US Dollars.

"Index Level": means in respect of any Calculation Date or Official Calculation Date, the level of the Index, expressed in the Index Currency, calculated and published by the Index Calculation Agent on such date. Initial Index Level = 1000.



"Index Sponsor": Société Générale. Société Générale is represented by its segregated unit dedicated to Indices, named "SG Index".

"Indicative NAV": means the net asset value of a Target Index Component computed on a daily basis between the dates of publication of the Official NAV.

"Investability Threshold": means the level of assets under management that Eligible Hedge Funds shall meet to be included in the index calculation. At the launch date, the Investability Threshold is set at EUR 3,000,000.

"Lyxor Platform": means the Lyxor Asset Management S.A.S platform of hedge funds. Such hedge funds (the "Lyxor Funds") are multi-class investment companies with limited liability incorporated in Jersey under the Companies (Jersey) Law 1991. Participating shares of the Lyxor Funds are listed on the Irish Stock Exchange. Each Lyxor Fund constitutes and is regulated as a "collective investment fund" under the Collective Investment Funds (Jersey) Law, 1988 (as amended). SG Hambros Trust Company (Channel Islands) Limited is the custodian and SG Hambros Fund Managers (Jersey) Limited is the manager and the registrar of the Lyxor Funds. In each case the manager of the Lyxor Funds has delegated certain functions to Lyxor Asset Management S.A.S as sub-manager. The Lyxor Funds operate under the principle of managed accounts: one trading advisor (a hedge fund manager or managed futures specialist) is granted a management mandate to manage the assets of the principal investment portfolio of each Lyxor Fund in accordance with its particular investment strategy.

In relation to each Lyxor Fund, Lyxor Asset Management S.A.S: (i) selects, conducts due diligence on and appoints trading advisors; (ii) negotiates and monitors capacity with each trading advisor and makes Lyxor Funds available for inclusion in the Index; (iii) monitors the risks and verifies that each trading advisor complies with its mandate (Lyxor Asset Management S.A.S may, inter alia, terminate the appointment of a trading advisor if risk limits are breached); (iv) values each Lyxor Fund on a weekly basis.

"Official Calculation Date": means, relative to an Official Value Date, the date on which the Index Level for that date is computed and published. Typically, every Friday on

which no Index disruption event or Index extraordinary event exists.

"Official NAV": means the net asset value of a Target Index Component on an Official Calculation Date.

"Official Value Date": means a Value Date on which Target Index Component can be purchased or redeemed (typically each Tuesday).

"Rebalancing Date": means the date as of which the new composition of the indices following a rebalancing is deemed effective. Typically, the first Value Date of each month.

"Review Date": means the date on which the rebalancing procedure takes place. Typically, the Review Date is the Official Calculation Date preceding the Rebalancing Date.

"Target Exposure": means in respect of any Calculation Date or Official Calculation Date, the target exposure to the Target Index Component, expressed in number of shares per index share.

"Target Index Components": means the Eligible Hedge Funds with respect to the Investability Threshold.

"Value Date": means a date on which the net assets values of the relevant Target Index Components are available, and an Index Level is computed. Typically, each weekday is a Value Date.

#### **(i) Application of Investability Threshold**

The Target Index Components are determined by applying a capacity filter (the "Investability Threshold") to the Eligible Hedge Funds.

#### **(ii) Index construction steps**

Every month, on the Review Date, the list of Target Index Components is determined by the Index Calculation Agent on the basis of the Target Index Components' latest available net asset value.

The Index Calculation Agent then applies the Capacity Factor to each Target Index Components' net asset value on the basis of expected capacity estimates communicated by Lyxor Asset Management S.A.S. The resulting Adjusted NAV is used for the calculation of the Target Exposure of each Target Index Component in the Index.

The corresponding Target Exposure is deemed to be the new Index allocation and shall be implemented on the following Rebalancing Date and shall remain effective until the next Rebalancing Date.

**(iii) Index concentration rules**

The Index concentration rules have been set with a view to ensuring that no Target Index Component should have a Target Exposure of more than 19% of the total Index allocation at the time of calculation of such Target Exposures, it being nevertheless accepted that, from time to time, one single Target Index Component may have a Target Exposure of up to 34% of such total Index allocation. Any weight in Target Exposures, in excess of the aforementioned Index concentration rules will be redistributed by the Index Calculation Agent, whenever possible, among the other Target Index Components, subject to such Index concentration rules. Please refer to the "Index Substitution" section below for further details in the event that such redistribution would not be feasible for whatever reason.

**(iv) Index reweighting**

The Target Exposure of the Index components are computed on a monthly basis on the basis of the assets under management observed on the Lyxor Platform on the Review Date and the anticipated liquidity constraints. These weightings apply for the entire month and the re-weighting of the Index occur only once a month on the Rebalancing Date. The rebalancing frequency will have no impact in terms of costs in the context of the performance of the investment objective of the Sub-Fund.

• **Role of the Index Committee**

The Index Committee is responsible for:

- Monitoring the level of representativity of the Lyxor Platform with regards to the global hedge fund industry;
- Ensuring an adequate level of investability for the Index;
- Maintaining a sufficient level of diversification among the Index Target Components.

Decisions made by the Index Committee include all matters relating to the Index construction and maintenance. It is the sole

responsibility of the Index Committee to decide on all matters relating to methodology, maintenance, constituent selection and Index procedures.

On any Review Date, the Index Committee may review in accordance with the Index Construction Methodology:

- (i) the universe of potential Eligible Hedge Funds;
- (ii) the Investability Threshold;
- (iii) the Capacity Factors;
- (iv) the principles of the algorithm used by the Index Calculation Agent to determine, in respect of each Target Index Component, the Target Exposure.

• **Index calculation and publication**

The official Index Level is calculated by the Index Calculation Agent on each Official Calculation Date using the then current Target Exposures and the last Official NAVs of the Target Index Components. An indicative Index Level is also calculated by the Index Calculation Agent on each Value Date using the Indicative NAVs of the Target Index Components.

The Index Calculation Agent publishes in respect of each Calculation Date or Official Calculation Date, the Index Level and disseminates this Index Level to data vendors such as Bloomberg or Reuters. Any modification to the Index rules decided by the Index Committee will be announced by the Index Calculation Agent on its internet site.

• **Index Substitution**

There is no guarantee that the Index Construction methodology as described above will not be changed by the Index Sponsor or that the Index Sponsor will not cease to sponsor the Index or that the Index will comply at all times with the Conditions. In the event that the Index is materially modified, that it ceases to exist, that the Index Sponsor ceases to sponsor it or that the Index no longer complies with the Conditions, the Management Company may decide in its discretion to replace the Index or Index Sponsor by a suitable index, or suitable index sponsor or, if no suitable index or index sponsor is then available, to liquidate the Sub-Fund.

Shareholders will be promptly informed in the event that the Index or the Index Sponsor is substituted.

- **Additional Information on Index**

Additional information on the Index, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Index can be found on <https://fr.lyxorfunds.com>.

## **INVESTMENT POLICY**

The Sub-Fund seeks to achieve its objective through the use of one or more total return swap transactions (each a "Swap", together the "Swaps"). The use of such Swaps may lead to (i) investing in a diversified portfolio of transferable securities (including but not limited to equities and fixed or variable debt instruments), and (ii) entering into a Swap to track the evolution of the Index and realise the investment objective. The effect of this transaction is that the Sub-Fund exchanges total returns on its portfolio of transferable securities for returns specifically tailored to the Investment Objective of the Sub-Fund.

The counterparty to the Swap is Société Générale which is specialized in that type of transaction and a reference dealer counterparty in OTC derivatives.

The Management Company reserves the right to use other types of Swap structures and use swap counterparties other than Société Générale to achieve the Investment Objective.

The value of the Shares in the Sub-Fund will fall or rise depending on the movements in the Index and Shareholders may get back substantially less than they invested if the Index performs poorly. The Sub-Fund does not offer a protection of capital; however the maximum loss an investor may incur is limited to its investment in the Sub-Fund.

Adjustments of the Swap contract's nominal in the event of eventual subscriptions and redemptions will be performed based on the "mark to market" valuation method.

The valuation of the over-the-counter derivative instruments and swap agreements will be provided by the Counterparty but the Management Company will make its own independent valuation thereof. Such Counterparty will

not assume any discretion over the composition of the assets underlying the over-the-counter financial derivative instruments, which are managed by the Management Company.

The valuation of the Swap agreements will be checked by the auditor of the Company during their annual audit mission.

Despite all measures taken by the Company to reach its objectives, these are subject to independent risk factors like changes in the fiscal or commercial regulations. No guarantee whatsoever may be offered to the investor in this regard. Within the limits set forth in this Prospectus and on an ancillary basis, the Sub-Fund may hold cash and cash equivalents.

With a view to future optimisation of the management of the Sub-Fund, the Sub-Fund may also carry out, in accordance with applicable laws and regulations (including but not limited to CSSF Circular 08/356 and CSSF Circular 13/559), any transactions including efficient portfolio management techniques such as reverse repurchase agreements which consist of transactions whereby, at maturity, the seller (the counterparty) has the obligation to repurchase the asset sold to the Sub-Fund and the Sub-Fund has the obligation to return the asset bought under the terms of the agreement.

The counterparty to these transactions will be Société Générale, however the Investment Manager reserves the right to use other counterparties

Should the Sub-Fund conclude transactions including efficient portfolio management techniques where securities are received by the Sub-Fund, the Sub-Fund shall not sell those securities or give them to a third party as a guarantee/security.

## **ELIGIBILITY OF THE SUB-FUND**

The Sub-Fund will not invest more than 10% of its assets in units or shares of other UCITS or other undertakings for collective investment in order to be eligible for investment by UCITS governed by Council Directive 2009/65/EC.

## **TARGETED INVESTORS**

The Sub-Fund is dedicated to both retail and institutional investors wishing to have an exposure in alternative management.

**RISK MANAGEMENT**

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

**CLASSES OF SHARES**

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

Class A (EUR)	Class I (EUR)	Class M (EUR)
Class A (USD)	Class I (USD)	
Class A (GBP)	Class I (GBP)	
Class A (CHF)	Class I (CHF)	
Class A (JPY)	Class I (JPY)	
Class A (SEK)	Class I (SEK)	
Class A (NOK)	Class I (NOK)	

Class A Shares are available to all investors. Class I Shares are only available to institutional investors within the meaning of article 174 (2) of the 2010 Law.

Class M Shares are only available to investors through specific distributors selected by the Management Company.

Shares will be issued in registered and/or bearer form.

Fractions of Shares will be issued to three decimal places.

In order to protect Shareholders of Classes not denominated in USD from the impact of currency movements, the Class currency will be hedged back against the USD. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of all Classes.

**INITIAL SUBSCRIPTION PERIOD**

Each of the following Classes of Shares are available for subscription as of the relevant launch date indicated below (the "Launch Date") at the following respective initial prices:

- Class A (EUR) was launched on 4 October 2011 and Class I (EUR) was launched on 22 June 2010 at the initial price of EUR 100 per Share;
- Class A (USD) and Class I (USD) were launched on 7 June 2010 at the initial price of USD 100 per Share; and

- Class A (GBP) and Class I (GBP) were launched on 8 June 2010 at the initial price of GBP 100 per Share.

The other Classes of Shares will be launched at a later stage upon decision of the Directors.

**MINIMUM INVESTMENT**

Please refer to the table hereafter for indication on the initial minimum subscription amount and additional minimum subscription amount applicable to each Class of Shares.

Minimum holding requirement: None

The Directors may, for each Class of Shares, waive in their discretion the initial minimum subscription amount and the additional minimum subscription amount.

**SUBSCRIPTION OF SHARES**

Requests for subscription of Shares must be given by indicating either an amount of cash denominated in the Class currency or the number of Shares and shall be centralised by the Registrar and Transfer Agent. In order for requests for subscriptions to be executed on the relevant Dealing Day (i.e. for the avoidance of doubt, on the second Dealing Day that immediately follows such Subscription Deadline) and processed at the Net Asset Value per Share calculated as of the applicable Valuation Day, such requests for subscription must be received on or before the Subscription Deadline (as defined below). Requests for subscriptions received after the Subscription Deadline shall be deemed to have been received before the immediately following Subscription Deadline.

Payment for Shares must be received by the Depositary in cleared funds on the Business Day following the Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

Different time limits may apply if subscriptions are made through intermediaries (including but not limited to correspondent banks appointed in any given country).

**REDEMPTION OF SHARES**

Requests for redemption of Shares must be given by indicating either the monetary amount or the number of Shares the shareholder wishes to redeem, in addition to the Sub-Fund's class from which the Shares are to be redeemed.

This request shall be centralised by the Registrar and Transfer Agent. In order for requests for redemption to be executed on the relevant Dealing Day (i.e. for the avoidance of doubt, on the second Dealing Day that immediately follows such Redemption Deadline) and processed at the Net Asset Value per Share calculated as of the applicable Valuation Day, such requests for redemption must be received on or before the Redemption Deadline (as defined below). Requests for redemptions received after the Redemption Deadline (as defined below) shall be deemed to have been received before the Redemption Deadline on the following Dealing Day.

Payment for Shares redeemed will be effected as soon as possible but not later than five Business Days (as defined hereunder) after the relevant Dealing Day. Different time limits may apply if redemptions are made through intermediaries (including but not limited to correspondent banks appointed in any given country).

**CONVERSION OF SHARES**

Shareholders may convert all or part of their Shares into Shares of another Class of the same Sub-Fund or of other Sub-Funds provided that conversion of shares may only be effected in Classes denominated in the same currency and by indicating the monetary amount the shareholder wishes to convert.

**FEES CHARGED TO INVESTORS WHEN BUYING OR SELLING SHARES OF THE SUB-FUND.**

- Subscription charge

For any request for subscription: (i) up to a maximum of 5% of the Net Asset Value per Share of each Class A Shares or each Class M Shares, as the case may be, multiplied by the number of Shares subscribed, and (ii) none in respect of each Class I Shares, in each case as set forth in the table hereafter.

The subscription charge, if any, shall be payable to the Management Company, the Management Company, or any distributor or placing agent of the Shares.

- Redemption charge

For any request for redemption: (i) up to a maximum of 1% of the Net Asset Value per Share of each Class A Shares or each Class M Shares, as the case may be, multiplied by the number of Shares redeemed, and (ii) none in respect of each Class I Shares, in each case as set forth in the table hereafter.

The redemption charge, if any, shall be payable to the Management Company or any distributor or placing agent of the Shares.

**DEFINITIONS**

"Net Asset Value per Share": means the net asset value per share of the Sub-Fund calculated pursuant the main part of this Prospectus.

"Valuation Day": means with respect to any Dealing Day, the Official Value Date of the Index (as defined above) immediately preceding such Dealing Day.

"Business Day": any full working day in Luxembourg, Jersey and in Paris when the banks are opened for business.

"Dealing Day": As from the launch date, each Business Day immediately following the Official Calculation Date of the Index (as defined above).

"Subscription Deadline" and "Redemption Deadline": In relation to any Dealing Day for the Sub-Fund, the Thursday immediately preceding the corresponding Valuation Day at 18:00 Luxembourg time at the latest, or if such day is not a Business Day, the immediately preceding Business Day.

For the avoidance of doubt, in the event of any delay in the Official Calculation Date of the Index, the applicable Dealing Day will be postponed accordingly.

**THE MANAGEMENT COMPANY**

A Management Fee is payable quarterly in arrears by the Company to the Management Company. Such fee is set at a maximum of 1.75% per year (inclusive of VAT) of the Net Asset Value of each Class A Shares, 0.90% per year (inclusive of



VAT) of the Net Asset Value of each Class I Shares, and 2.15% per year (inclusive of VAT) of the Net Asset Value of each Class M Shares, as set forth in the table hereafter.

#### **ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT, DEPOSITARY AND PAYING AGENT FEES**

By derogation to the general principles contained in the main part of this Prospectus, the Depositary, the Administrative Agent, the Paying Agent and the Registrar and Transfer Agent shall receive an administrative fee payable quarterly out of the assets of the Sub-Fund (the "Administrative Fee"). Such Administrative Fee is set at a maximum of 0.20% per year (inclusive of VAT) of the Net Asset Value per Share (excluding transaction fees).

#### **LISTING ON THE LUXEMBOURG STOCK EXCHANGE**

It might be contemplated in the future to make an application to list the Shares of the Sub-Fund on one or more European stock exchanges. A list of these stock exchanges can be obtained from the registered office of the Company.

#### **PUBLICATION OF THE NET ASSET VALUE**

The Net Asset Value per Share will be available at the registered office of the Fund and will be published on [www.finesti.com](http://www.finesti.com).

#### **RISKS WARNING**

The following risk warnings should be considered carefully, but are not meant to be an exhaustive listing of all potential risks associated with an investment in Shares. These risk warnings are indicated for information purposes only and notably cannot be deemed to be a complete description of the risks related to an investment in Shares. When considering investing in Shares, any potential investor should bear in mind that Shares may decline abruptly in value and should be prepared to sustain a total loss of their investment in Shares of the Sub-Fund.

#### **Risk of Losses**

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

The investments and the positions held by of the Sub-Fund are subject to (i) fluctuations in the Index (ii) market fluctuations, (iii) reliability of counterparts and (iv) operational efficiency in the actual implementation of the investment policy adopted by the Sub-Fund in order to realise such investments or take such positions. Consequently, the investments of the Sub-Fund are subject to, inter alia, the risk of declines in the Index (which may be abrupt and severe), market risks, credit exposure risks and operational risks.

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

#### **Volatility**

Investors should be aware that investment in Shares can be very volatile and consequently that they may experience substantial changes in the value of their Shares; the value of Shares can thus change dramatically during any period of time, whatever its length.

#### **Achievement of Sub-Fund's Investment Objective**

No assurance can be given that the Sub-Fund will achieve its Investment Objective, including without limitation achieving capital appreciation that tracks the performance of the Index. There is no assurance that the investment and asset allocation strategy developed by the Management Company, and as presented in the Investment Objective and the Investment Policy as set out herein can lead to a positive performance in the value of the Shares. The Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value. In addition, the performance of the Net Asset Value of any given Class may deviate from the performance of the Index due to various factors, such as but not limited to the effects of foreign exchange transactions that may be entered into for the account of the relevant Class, the liquidity of the funds

of the Lyxor Platform, the holding of cash in the relevant Class and the amount of fees taken out of the relevant Class.

**Past Performance**

Past performance of the Sub-Fund and/or any Class of Shares, and/or the Management Company and/or the Index and/or funds of the Lyxor Platform cannot be construed as an indication of the future results of an investment in the Sub-Fund.

**Change in Index Methodology**

The methodology of the Index may be altered or amended from time to time at the discretion of the Index Sponsor. The Index Sponsor is outside the control of the Sub-Fund and the Management Company. Consequently, there is no guarantee that the Index methodology implemented for the Index will remain at all times during the life of the Sub-Fund similar to the Index methodology described hereinabove.

When the Sub-Fund enters into swap transactions, it is subject to potential counterparty and issuer risk. In the event of the insolvency or default of the counterparty or issuer, the Sub-Fund could suffer a loss.

**HISTORICAL PERFORMANCE**

In order to provide with significant data, the historical performance analysis will be available in the KIIDs.

**DISCLAIMER**

The SG Index (SGI) is a registered trademark of the Société Générale Group (hereinafter referred to as the "Holder"). The Holder grants no guarantee and undertakes no commitment, whether explicitly or implicitly, relative to the results to be obtained through the use of the Index and/or relative to the level at which the said Index may be at any given moment or day, or of any other type. The Holder will not be liable for any error affecting the Index with regard to any party, and will have no obligation to inform anyone of any possible error affecting the Index. The Index is the exclusive property of Société Générale. Société Générale has contracted with Standard & Poor's to maintain and calculate the Index. Standard & Poor's shall have no liability for any errors or omissions in calculating the Index.

No Shareholder, or any other person or entity, should use or refer to any Société Générale trade name, trademark or service mark to sponsor, endorse, market or promote the Sub-Fund without first contacting Société Générale to determine whether Société Générale's permission is required. Under no circumstances may any person or entity claim any affiliation with Société Générale without the prior written permission of Société Générale.

Standard & Poor's, a division of The McGraw-Hill Companies, Inc. "Standard & Poor's" is a trademark of The McGraw-Hill Companies, Inc.

**Characteristics of the Share classes available in the Sub-Fund**

Share class	Maximum subscription fee	Maximum redemption fee	Management Fee	Maximum Performance fee	Minimum subscription amount:	
					Initial	Additional
Class I (EUR)	none	none	0.90 %	0 %	EUR 10 000	EUR 1 000
Class I (USD)					USD 10 000	USD 1 000
Class I (GBP)					GBP 5 000	GBP 5 00
Class I (CHF)					CHF10 000	CHF 1 000
Class I (JPY)					JPY 1 000 000	JPY 100 000
Class I (SEK)					SEK 100 000	SEK 10 000
Class I (NOK)					NOK 100 000	NOK 10 000
Class A (EUR)	5 %	1 %	1.75 %	0 %	EUR 1 000	EUR 100
Class A (USD)					USD 1 000	USD 100
Class A (GBP)					GBP 500	GBP50
Class A (CHF)					CHF 1 000	CHF 100
Class A (JPY)					JPY 100 000	JPY 10 000
Class A (SEK)					SEK 10 000	SEK 1 000
Class A (NOK)					NOK 10 000	NOK 1 000
Class M (EUR)	5 %	1%	2.15 %	0 %	EUR 500	EUR 50

**APPENDIX 3**

**ALIAS INVESTMENT – LYXOR MERGER  
ARBITRAGE INDEX FUND**

The Reference Currency of the Sub-Fund is the USD

**INVESTMENT OBJECTIVE**

ALIAS INVESTMENT – LYXOR MERGER ARBITRAGE INDEX Fund's investment objective is to track the performance of the Lyxor Merger Arbitrage Index (the "Index") during the life of such Sub-Fund.

The anticipated level of the tracking error under normal market conditions is expected to be 0.04%.

**THE INDEX**

• **Index Objectives**

The Index aims to offer easy access to the Merger Arbitrage trading advisors of the Lyxor Platform. These trading advisors employ a strategy that primarily consists in investing in equities involved in merger/acquisition operations and aims to take advantage of the spread between the price bid for the takeover and the price observed in the market.

To ensure investability and liquidity, the Index Level (as defined hereafter) is based on the performance of hedge funds that belong to the Lyxor Platform.

The Index is reviewed and rebalanced on a monthly basis pursuant to investment guidelines reflecting the evolution of assets under management and liquidity constraints.

The Index is built to fall under the classification of a "financial index" pursuant to article 19(1) (g) of Directive 2009/65/EC and therefore complies with the conditions laid down in article 9 of Directive 2007/16/EC of 19 March 2007, with the guidelines issued by the Committee of European Securities Regulators (CESR) for the classification of hedge fund indices as financial indices, with the requirements of article 9 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the law of 20 December 2002 as amended concerning undertakings of collective investment and implementing the Directive 2007/16/EC of the European Commission implementing Council Directive 85/611/EEC on the coordination of

laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the clarification of certain definitions and with the ESMA Guidelines on ETFs and other UCITS issues (the "Conditions").

Please also refer to the "Index Substitution" section below for further details in the event that the Conditions would no longer be fulfilled.

• **Index Construction**

**Definitions:**

The following is a list of definitions, which should be used in connection with this section:

"Adjusted NAV": means the net asset value of any Eligible Hedge Fund after application of the Capacity Factor.

"Calculation Date": means, relative to a specific Value Date, the date on which the Index Level for that date is computed and published.

"Capacity Factor": for each Target Index Component, the forecasted investability will be quantified by a multiplier coefficient applied to its gross net asset value.

"Eligible Hedge Funds": means the hedge funds of the Lyxor Platform that offer class A participating shares.

"Index Calculation Agent" or "S&P": Standard & Poor's, a division of The McGraw-Hill Companies, Inc. "Standard & Poor's" is a trademark of The McGraw-Hill Companies, Inc.

"Index Committee": means the committee composed by the Index Sponsor and the Index Calculation Agent.

"Index Currency": US Dollars.

"Index Level": means in respect of any Calculation Date or Official Calculation Date, the level of the Index, expressed in the Index Currency, calculated and published by the Index Calculation Agent on such date. Initial Index Level = 1000.

"Index Sponsor": Société Générale. Société Générale is represented by its segregated unit dedicated to Indices, named "SG Index".

"Indicative NAV": means the net asset value of a Target Index Component computed on a daily basis between the dates of publication of the Official NAV.

"Investability Threshold": means the level of assets under management that Eligible Hedge Funds shall meet to be included in the index calculation. At the launch date, the Investability Threshold is set at EUR 3,000,000.

"Lyxor Platform": means the Lyxor Asset Management S.A.S platform of hedge funds. Such hedge funds (the "Lyxor Funds") are multi-class investment companies with limited liability incorporated in Jersey under the Companies (Jersey) Law 1991. Participating shares of the Lyxor Funds are listed on the Irish Stock Exchange. Each Lyxor Fund constitutes and is regulated as a "collective investment fund" under the Collective Investment Funds (Jersey) Law, 1988 (as amended). SG Hambros Trust Company (Channel Islands) Limited is the custodian and SG Hambros Fund Managers (Jersey) Limited is the manager and the registrar of the Lyxor Funds. In each case the manager of the Lyxor Funds has delegated certain functions to Lyxor Asset Management S.A.S as sub-manager. The Lyxor Funds operate under the principle of managed accounts: one trading advisor (a hedge fund manager or managed futures specialist) is granted a management mandate to manage the assets of the principal investment portfolio of each Lyxor Fund in accordance with its particular investment strategy.

In relation to each Lyxor Fund, Lyxor Asset Management S.A.S: (i) selects, conducts due diligence on and appoints trading advisors; (ii) negotiates and monitors capacity with each trading advisor and makes Lyxor Funds available for inclusion in the Index; (iii) monitors the risks and verifies that each trading advisor complies with its mandate (Lyxor Asset Management S.A.S may, inter alia, terminate the appointment of a trading advisor if risk limits are breached); (iv) values each Lyxor Fund on a weekly basis.

"Official Calculation Date": means, relative to an Official Value Date, the date on which the Index Level for that date is computed and published. Typically, every Friday on which no Index disruption event or Index extraordinary event exists.

"Official NAV": means the net asset value of a Target Index Component on an Official Calculation Date.

"Official Value Date": means a Value Date on which Target Index Component can be purchased or redeemed (typically each Tuesday).

"Rebalancing Date": means the date as of which the new composition of the indices following a rebalancing is deemed effective. Typically, the first Value Date of each month.

"Review Date": means the date on which the rebalancing procedure takes place. Typically, the Review Date is the Official Calculation Date preceding the Rebalancing Date.

"Target Exposure": means in respect of any Calculation Date or Official Calculation Date, the target exposure to the Target Index Component, expressed in number of shares per index share.

"Target Index Components": means the Eligible Hedge Funds with respect to the Investability Threshold.

"Value Date": means a date on which the net assets values of the relevant Target Index Components are available, and an Index Level is computed. Typically, each weekday is a Value Date.

#### **(i) Application of Investability Threshold**

The Target Index Components are determined by applying a capacity filter (the "Investability Threshold") to the Eligible Hedge Funds.

#### **(ii) Index construction steps**

Every month, on the Review Date, the list of Target Index Components is determined by the Index Calculation Agent on the basis of the Target Index Components' latest available net asset value.

The Index Calculation Agent then applies the Capacity Factor to each Target Index Components' net asset value on the basis of expected capacity estimates communicated by Lyxor Asset Management S.A.S. The resulting Adjusted NAV is used for the calculation of the Target Exposure of each Target Index Component in the Index. The corresponding Target Exposure is deemed to be the new Index allocation and shall be implemented on the following



Rebalancing Date and shall remain effective until the next Rebalancing Date.

**(iii) Index concentration rules**

The Index concentration rules have been set with a view to ensuring that no Target Index Component should have a Target Exposure of more than 19% of the total Index allocation at the time of calculation of such Target Exposures, it being nevertheless accepted that, from time to time, one single Target Index Component may have a Target Exposure of up to 34% of such total Index allocation. Any weight in Target Exposures, in excess of the aforementioned Index concentration rules will be redistributed by the Index Calculation Agent, whenever possible, among the other Target Index Components, subject to such Index concentration rules. Please refer to the "Index Substitution" section below for further details in the event that such redistribution would not be feasible for whatever reason.

**(iv) Index reweighting**

The Target Exposure of the Index components are computed on a monthly basis on the basis of the assets under management observed on the Lyxor Platform on the Review Date and the anticipated liquidity constraints. These weightings apply for the entire month and the re-weighting of the Index occur only once a month on the Rebalancing Date. The rebalancing frequency will have no impact in terms of costs in the context of the performance of the investment objective of the Sub-Fund.

**• Role of the Index Committee**

The Index Committee is responsible for:

- Monitoring the level of representativity of the Lyxor Platform with regards to the global hedge fund industry;
- Ensuring an adequate level of investability for the Index;
- Maintaining a sufficient level of diversification among the Index Target Components.

Decisions made by the Index Committee include all matters relating to the Index construction and maintenance. It is the sole responsibility of the Index Committee to decide on all matters relating to

methodology, maintenance, constituent selection and Index procedures.

On any Review Date, the Index Committee may review in accordance with the Index Construction Methodology:

- (i) the universe of potential Eligible Hedge Funds;
- (ii) the Investability Threshold;
- (iii) the Capacity Factors;
- (iv) the principles of the algorithm used by the Index Calculation Agent to determine, in respect of each Target Index Component, the Target Exposure.

**• Index calculation and publication**

The official Index Level is calculated by the Index Calculation Agent on each Official Calculation Date using the then current Target Exposures and the last Official NAVs of the Target Index Components. An indicative Index Level is also calculated by the Index Calculation Agent on each Value Date using the Indicative NAVs of the Target Index Components.

The Index Calculation Agent publishes in respect of each Calculation Date or Official Calculation Date, the Index Level and disseminates this Index Level to data vendors such as Bloomberg or Reuters. Any modification to the Index rules decided by the Index Committee will be announced by the Index Calculation Agent on its internet site.

**• Index Substitution**

There is no guarantee that the Index Construction methodology as described above will not be changed by the Index Sponsor or that the Index Sponsor will not cease to sponsor the Index or that the Index will comply at all times with the Conditions. In the event that the Index is materially modified, that it ceases to exist, that the Index Sponsor ceases to sponsor it or that the Index no longer complies with the Conditions, the Management Company may decide in its discretion to replace the Index or Index Sponsor by a suitable index, or suitable index sponsor or, if no suitable index or index sponsor is then available, to liquidate the Sub-Fund.

Shareholders will be promptly informed in the event that the Index or the Index Sponsor is substituted.

- **Additional Information on Index**

Additional information on the Index, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Index can be found on <https://fr.lyxorfunds.com>.

## **INVESTMENT POLICY**

The Sub-Fund seeks to achieve its objective through the use of one or more total return swap transactions (each a "Swap", together the "Swaps"). The use of such Swaps may lead to (i) investing in a diversified portfolio of transferable securities (including but not limited to equities and fixed or variable debt instruments), and (ii) entering into a Swap to track the evolution of the Index and realise the investment objective. The effect of this transaction is that the Sub-Fund exchanges total returns on its portfolio of transferable securities for returns specifically tailored to the Investment Objective of the Sub-Fund.

The counterparty to the Swap is Société Générale which is specialized in that type of transaction and a reference dealer counterparty in OTC derivatives.

The Management Company reserves the right to use other types of Swap structures and use swap counterparties other than Société Générale to achieve the Investment Objective.

The value of the Shares in the Sub-Fund will fall or rise depending on the movements in the Index and Shareholders may get back substantially less than they invested if the Index performs poorly. The Sub-Fund does not offer a protection of capital; however the maximum loss an investor may incur is limited to its investment in the Sub-Fund.

Adjustments of the Swap contract's nominal in the event of eventual subscriptions and redemptions will be performed based on the "mark to market" valuation method.

The valuation of the over-the-counter derivative instruments and swap agreements will be provided by the Counterparty but the Management Company will make its own independent valuation thereof. Such Counterparty will

not assume any discretion over the composition of the assets underlying the over-the-counter financial derivative instruments, which are managed by the Management Company.

The valuation of the Swap agreements will be checked by the auditor of the Company during their annual audit mission.

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

Within the limits set forth in this Prospectus and on an ancillary basis, the Sub-Fund may hold cash and cash equivalents.

With a view to future optimisation of the management of the Sub-Fund, the Sub-Fund may also carry out, in accordance with applicable laws and regulations (including but not limited to CSSF Circular 08/356 and CSSF Circular 13/559), any transactions including efficient portfolio management techniques such as reverse repurchase agreements which consist of transactions whereby, at maturity, the seller (the counterparty) has the obligation to repurchase the asset sold to the Sub-Fund and the Sub-Fund has the obligation to return the asset bought under the terms of the agreement.

The counterparty to these transactions will be Société Générale, however the Investment Manager reserves the right to use other counterparties.

Should the Sub-Fund conclude transactions including efficient portfolio management techniques where securities are received by the Sub-Fund, the Sub-Fund shall not sell those securities or give them to a third party as a guarantee/security.

## **ELIGIBILITY OF THE SUB-FUND**

The Sub-Fund will not invest more than 10% of its assets in units or shares of other UCITS or other undertakings for collective investment in order to be eligible for investment by UCITS governed by Council Directive 2009/65/EC.

## **TARGETED INVESTORS**

The Sub-Fund is dedicated to both retail and institutional investors wishing to have an exposure in alternative management.

**RISK MANAGEMENT**

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

**CLASSES OF SHARES**

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

Class A (EUR)	Class I (EUR)	Class M
Class A (USD)	Class I (USD)	(EUR)
Class A (GBP)	Class I (GBP)	
Class A (CHF)	Class I (CHF)	
Class A (JPY)	Class I (JPY)	
Class A (SEK)	Class I (SEK)	
Class A (NOK)	Class I (NOK)	

Class A Shares are available to all investors. Class I Shares are only available to institutional investors within the meaning of article 174 (2) of the 2010 Law.

Class M Shares are only available to investors through specific distributors selected by the Management Company.

Shares will be issued in registered and/or bearer form.

Fractions of Shares will be issued to three decimal places.

In order to protect Shareholders of Classes not denominated in USD from the impact of currency movements, the Class currency will be hedged back against the USD. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of all Classes.

**INITIAL SUBSCRIPTION PERIOD**

Each of the following Classes of Shares are available for subscription as of the relevant launch date indicated below (the "Launch Date") at the following respective initial prices:

- Class A (EUR) was launched on 4 October 2011 and Class I (EUR) was launched on 22 June 2010 at the initial price of EUR 100 per Share;
- Class A (USD) and Class I (USD) were launched on 7 June 2010 at the initial price of USD 100 per Share; and

- Class A (GBP) and Class I (GBP) were launched on 8 June 2010 at the initial price of GBP 100 per Share.

Applications for subscriptions of Shares of such Classes at the Initial Subscription Price had to be submitted through application forms to the Registrar and Transfer Agent together with payment in cleared funds of the initial subscription price prior to the Launch Date.

The other Classes of Shares will be launched at a later stage upon decision of the Directors.

**MINIMUM INVESTMENT**

Please refer to the table hereafter for indication on the initial minimum subscription amount and additional minimum subscription amount applicable to each Class of Shares.

Minimum holding requirement: None

The Directors may, for each Class of Shares, waive in their discretion the initial minimum subscription amount and the additional minimum subscription amount.

**SUBSCRIPTION OF SHARES**

Requests for subscription of Shares must be given by indicating either an amount of cash denominated in the Class currency or the number of Shares and shall be centralised by the Registrar and Transfer Agent. In order for requests for subscriptions to be executed on the relevant Dealing Day (i.e. for the avoidance of doubt, on the second Dealing Day that immediately follows such Subscription Deadline) and processed at the Net Asset Value per Share calculated as of the applicable Valuation Day, such requests for subscription must be received on or before the Subscription Deadline (as defined below). Requests for subscriptions received after the Subscription Deadline shall be deemed to have been received before the immediately following Subscription Deadline.

Payment for Shares must be received by the Depositary in cleared funds on the Business Day following the Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

Different time limits may apply if subscriptions are made through intermediaries (including but not limited to correspondent banks appointed in any given country).

## **REDEMPTION OF SHARES**

Requests for redemption of Shares must be given by indicating either the monetary amount or the number of Shares the shareholder wishes to redeem, in addition to the Sub-Fund's class from which the Shares are to be redeemed.

This request shall be centralised by the Registrar and Transfer Agent. In order for requests for redemption to be executed on the relevant Dealing Day (i.e. for the avoidance of doubt, on the second Dealing Day that immediately follows such Redemption Deadline) and processed at the Net Asset Value per Share calculated as of the applicable Valuation Day, such requests for redemption must be received on or before the Redemption Deadline (as defined below). Requests for redemptions received after the Redemption Deadline (as defined below) shall be deemed to have been received before the Redemption Deadline on the following Dealing Day.

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

Different time limits may apply if redemptions are made through intermediaries (including but not limited to correspondent banks appointed in any given country).

## **CONVERSION OF SHARES**

Shareholders may convert all or part of their Shares into Shares of another Class of the same Sub-Fund or of other Sub-Funds provided that conversion of shares may only be effected in Classes denominated in the same currency and by indicating the monetary amount the shareholder wishes to convert.

## **FEES CHARGED TO INVESTORS WHEN BUYING OR SELLING SHARES OF THE SUB-FUND.**

- Subscription charge

For any request for subscription: (i) up to a maximum of 5% of the Net Asset Value per Share of each Class A Shares or each

Class M Shares, as the case may be, multiplied by the number of Shares subscribed, and (ii) none in respect of each Class I Shares, in each case as set forth in the table hereafter.

The subscription charge, if any, shall be payable to the Management Company or any distributor or placing agent of the Shares.

- Redemption charge

For any request for redemption: (i) up to a maximum of 1% of the Net Asset Value per Share of each Class A Shares or each Class M Shares, as the case may be, multiplied by the number of Shares redeemed, and (ii) none in respect of each Class I Shares, in each case as set forth in the table hereafter.

The redemption charge, if any, shall be payable to the Management Company or any distributor or placing agent of the Shares.

## **DEFINITIONS**

"Net Asset Value per Share": means the net asset value per share of the Sub-Fund calculated pursuant the main part of this Prospectus.

"Valuation Day": means with respect to any Dealing Day, the Official Value Date of the Index (as defined above) immediately preceding such Dealing Day.

"Business Day": any full working day in Luxembourg, Jersey and in Paris when the banks are opened for business.

"Dealing Day": As from the launch date, each Business Day immediately following the Official Calculation Date of the Index (as defined above).

"Subscription Deadline" and "Redemption Deadline": In relation to any Dealing Day for the Sub-Fund, the Thursday immediately preceding the corresponding Valuation Day at 18:00 Luxembourg time at the latest, or if such day is not a Business Day, the immediately preceding Business Day.

For the avoidance of doubt, in the event of any delay in the Official Calculation Date of the Index, the applicable Dealing Day will be postponed accordingly.

**THE MANAGEMENT COMPANY**

A Management Fee is payable quarterly in arrears by the Company to the Management Company. Such fee is set at a maximum of 1.75% per year (inclusive of VAT) of the Net Asset Value of each Class A Shares, 0.90% per year (inclusive of VAT) of the Net Asset Value of each Class I Shares, and 2.15% per year (inclusive of VAT) of the Net Asset Value of each Class M Shares, as set forth in the table hereafter.

**ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT, DEPOSITARY AND PAYING AGENT FEES**

By derogation to the general principles contained in the main part of this Prospectus, the Depositary, the Administrative Agent, the Paying Agent and the Registrar and Transfer Agent shall receive an administrative fee payable quarterly out of the assets of the Sub-Fund (the "Administrative Fee"). Such Administrative Fee is set at a maximum of 0.20% per year (inclusive of VAT) of the Net Asset Value per Share (excluding transaction fees).

**LISTING ON THE LUXEMBOURG STOCK EXCHANGE**

It might be contemplated in the future to make an application to list the Shares of the Sub-Fund on one or more European stock exchanges. A list of these stock exchanges can be obtained from the registered office of the Company.

**PUBLICATION OF THE NET ASSET VALUE**

The Net Asset Value per Share will be available at the registered office of the Fund and will be published on [www.finesti.com](http://www.finesti.com).

**RISKS WARNING**

The following risk warnings should be considered carefully, but are not meant to be an exhaustive listing of all potential risks associated with an investment in Shares. These risk warnings are indicated for information purposes only and notably cannot be deemed to be a complete description of the risks related to an investment in Shares. When considering investing in Shares, any potential investor should bear in mind that Shares may decline abruptly in value and should be

prepared to sustain a total loss of their investment in Shares of the Sub-Fund.

**Risk of Losses**

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

The investments and the positions held by of the Sub-Fund are subject to (i) fluctuations in the Index (ii) market fluctuations, (iii) reliability of counterparts and (iv) operational efficiency in the actual implementation of the investment policy adopted by the Sub-Fund in order to realise such investments or take such positions. Consequently, the investments of the Sub-Fund are subject to, inter alia, the risk of declines in the Index (which may be abrupt and severe), market risks, credit exposure risks and operational risks.

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

**Volatility**

Investors should be aware that investment in Shares can be very volatile and consequently that they may experience substantial changes in the value of their Shares; the value of Shares can thus change dramatically during any period of time, whatever its length.

**Achievement of Sub-Fund's Investment Objective**

No assurance can be given that the Sub-Fund will achieve its Investment Objective, including without limitation achieving capital appreciation that tracks the performance of the Index. There is no assurance that the investment and asset allocation strategy developed by the Management Company, and as presented in the Investment Objective and the Investment Policy as set out herein can lead to a positive performance in the value of the Shares. The Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value. In addition, the performance of the Net Asset Value of any given Class may deviate from the performance of the Index due to various factors, such as but not limited to



the effects of foreign exchange transactions that may be entered into for the account of the relevant Class, the liquidity of the funds of the Lyxor Platform, the holding of cash in the relevant Class and the amount of fees taken out of the relevant Class.

### **Past Performance**

Past performance of the Sub-Fund and/or any Class of Shares, and/or the Management Company and/or the Index and/or funds of the Lyxor Platform cannot be construed as an indication of the future results of an investment in the Sub-Fund.

### **Change in Index Methodology**

The methodology of the Index may be altered or amended from time to time at the discretion of the Index Sponsor. The Index Sponsor is outside the control of the Sub-Fund and the Management Company. Consequently, there is no guarantee that the Index methodology implemented for the Index will remain at all times during the life of the Sub-Fund similar to the Index methodology described hereinabove.

When the Sub-Fund enters into swap transactions, it is subject to potential counterparty and issuer risk. In the event of the insolvency or default of the counterparty or issuer, the Sub-Fund could suffer a loss.

### **HISTORICAL PERFORMANCE**

In order to provide with significant data, the historical performance analysis will be available in the KIIDs.

### **DISCLAIMER**

The SG Index (SGI) is a registered trademark of the Société Générale Group (hereinafter referred to as the "Holder"). The Holder grants no guarantee and undertakes no commitment, whether explicitly or implicitly, relative to the results to be obtained through the use of the Index and/or relative to the level at which the said Index may be at any given moment or day, or of any other type. The Holder will not be liable for any error affecting the Index with regard to any party, and will have no obligation to inform anyone of any possible error affecting the Index. The Index is the exclusive property of Société Générale. Société Générale has contracted with Standard & Poor's to maintain and calculate the Index. Standard & Poor's shall have no liability for any errors or omissions in calculating the Index.

No Shareholder, or any other person or entity, should use or refer to any Société Générale trade name, trademark or service mark to sponsor, endorse, market or promote the Sub-Fund without first contacting Société Générale to determine whether Société Générale's permission is required. Under no circumstances may any person or entity claim any affiliation with Société Générale without the prior written permission of Société Générale.

Standard & Poor's, a division of The McGraw-Hill Companies, Inc. "Standard & Poor's" is a trademark of The McGraw-Hill Companies, Inc.

**Characteristics of the Share classes available in the Sub-Fund**

Share class	Maximum subscription fee	Maximum redemption fee	Management Fee	Maximum Performance fee	Minimum subscription amount:	
					Initial	Additional
Class I (EUR)	none	none	0.90 %	0 %	EUR 10 000	EUR 1 000
Class I (USD)					USD 10 000	USD 1 000
Class I (GBP)					GBP 5 000	GBP 5 00
Class I (CHF)					CHF 10 000	CHF 1 000
Class I (JPY)					JPY 1 000 000	JPY 100 000
Class I (SEK)					SEK 100 000	SEK 10 000
Class I (NOK)					NOK 100 000	NOK 10 000
Class A (EUR)	5 %	1 %	1.75 %	0 %	EUR 1 000	EUR 100
Class A (USD)					USD 1 000	USD 100
Class A (GBP)					GBP 500	GBP50
Class A (CHF)					CHF 1 000	CHF 100
Class A (JPY)					JPY 100 000	JPY 10 000
Class A (SEK)					SEK 10 000	SEK 1 000
Class A (NOK)					NOK 10 000	NOK 1 000
Class M (EUR)	5 %	1%	2.15 %	0 %	EUR 500	EUR 50

**APPENDIX 4**

**ALIAS INVESTMENT – LYXOR CREDIT STRATEGIES INDEX FUND**

The Reference Currency of the Sub-Fund is the USD

**INVESTMENT OBJECTIVE**

ALIAS INVESTMENT – LYXOR CREDIT STRATEGIES INDEX Fund's investment objective is to track the performance of the Lyxor Credit Strategies Index (the "**Index**") during the life of such Sub-Fund.

The anticipated level of the tracking error under normal market conditions is expected to be 0.04%.

**THE INDEX**

• **Index Objectives**

The Index aims to offer easy access to the credit trading advisors of the Lyxor Platform. These trading advisors aim to take advantage of attractive market opportunities in corporate fixed income securities.

To ensure investability and liquidity, the Index Level (as defined hereafter) is based on the performance of hedge funds that belong to the Lyxor Platform.

The Index is reviewed and rebalanced on a monthly basis pursuant to investment guidelines reflecting the evolution of assets under management and liquidity constraints.

The Index is built to fall under the classification of a "financial index" pursuant to article 50(1) (g) of Directive 2009/65/EC and therefore complies with the conditions laid down in article 9 of Directive 2007/16/EC of 19 March 2007, with the guidelines issued by the Committee of European Securities Regulators (CESR) for the classification of hedge fund indices as financial indices, with the requirements of article 9 of the Grand-Ducal Regulation of 8 February 2008 relating to certain definitions of the law of 20 December 2002 as amended concerning undertakings of collective investment and implementing the Directive 2007/16/EC of the European Commission implementing Council Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for

collective investment in transferable securities (UCITS) as regards the clarification of certain definitions and with the ESMA Guidelines on ETFs and other UCITS issues (the "Conditions").

Please also refer to the "Index Substitution" section below for further details in the event that the Conditions would no longer be fulfilled.

• **Index Construction**

**Definitions:**

The following is a list of definitions, which should be used in connection with this section:

"Adjusted NAV": means the net asset value of any Eligible Hedge Fund after application of the Capacity Factor.

"Calculation Date": means, relative to a specific Value Date, the date on which the Index Level for that date is computed and published.

"Capacity Factor": for each Target Index Component, the forecasted investability will be quantified by a multiplier coefficient applied to its gross net asset value.

"Eligible Hedge Funds": means the hedge funds of the Lyxor Platform that offer class A participating shares.

"Index Calculation Agent" or "S&P": Standard & Poor's, a division of The McGraw-Hill Companies, Inc. "Standard & Poor's" is a trademark of The McGraw-Hill Companies, Inc.

"Index Committee": means the committee composed by the Index Sponsor and the Index Calculation Agent.

"Index Currency": US Dollars.

"Index Level": means in respect of any Calculation Date or Official Calculation Date, the level of the Index, expressed in the Index Currency, calculated and published by the Index Calculation Agent on such date. Initial Index Level = 1000.

"Index Sponsor": Société Générale. Société Générale is represented by its segregated unit dedicated to Indices, named "SG Index".

"Indicative NAV": means the net asset value of a Target Index Component computed on a daily basis between the dates of publication of the Official NAV.

"Investability Threshold": means the level of assets under management that Eligible Hedge Funds shall meet to be included in the index calculation. At the launch date, the Investability Threshold is set at EUR 3,000,000.

"Lyxor Platform": means the Lyxor Asset Management S.A.S platform of hedge funds. Such hedge funds (the "Lyxor Funds") are multi-class investment companies with limited liability incorporated in Jersey under the Companies (Jersey) Law 1991. Participating shares of the Lyxor Funds are listed on the Irish Stock Exchange. Each Lyxor Fund constitutes and is regulated as a "collective investment fund" under the Collective Investment Funds (Jersey) Law, 1988 (as amended). SG Hambros Trust Company (Channel Islands) Limited is the custodian and SG Hambros Fund Managers (Jersey) Limited is the manager and the registrar of the Lyxor Funds. In each case the manager of the Lyxor Funds has delegated certain functions to Lyxor Asset Management S.A.S as sub-manager. The Lyxor Funds operate under the principle of managed accounts: one trading advisor (a hedge fund manager or managed futures specialist) is granted a management mandate to manage the assets of the principal investment portfolio of each Lyxor Fund in accordance with its particular investment strategy.

In relation to each Lyxor Fund, Lyxor Asset Management S.A.S: (i) selects, conducts due diligence on and appoints trading advisors; (ii) negotiates and monitors capacity with each trading advisor and makes Lyxor Funds available for inclusion in the Index; (iii) monitors the risks and verifies that each trading advisor complies with its mandate (Lyxor Asset Management S.A.S may, inter alia, terminate the appointment of a trading advisor if risk limits are breached); (iv) values each Lyxor Fund on a weekly basis.

"Official Calculation Date": means, relative to an Official Value Date, the date on which the Index Level for that date is computed and published. Typically, every Friday on which no Index disruption event or Index extraordinary event exists.

"Official NAV": means the net asset value of a Target Index Component on an Official Calculation Date.

"Official Value Date": means a Value Date on which Target Index Component can be purchased or redeemed (typically each Tuesday).

"Rebalancing Date": means the date as of which the new composition of the indices following a rebalancing is deemed effective. Typically, the first Value Date of each month.

"Review Date": means the date on which the rebalancing procedure takes place. Typically, the Review Date is the Official Calculation Date preceding the Rebalancing Date.

"Target Exposure": means in respect of any Calculation Date or Official Calculation Date, the target exposure to the Target Index Component, expressed in number of shares per index share.

"Target Index Components": means the Eligible Hedge Funds with respect to the Investability Threshold.

"Value Date": means a date on which the net assets values of the relevant Target Index Components are available, and an Index Level is computed. Typically, each weekday is a Value Date.

### **(i) Application of Investability Threshold**

The Target Index Components are determined by applying a capacity filter (the "Investability Threshold") to the Eligible Hedge Funds.

### **(ii) Index construction steps**

Every month, on the Review Date, the list of Target Index Components is determined by the Index Calculation Agent on the basis of the Target Index Components' latest available net asset value.

The Index Calculation Agent then applies the Capacity Factor to each Target Index Components' net asset value on the basis of expected capacity estimates communicated by Lyxor Asset Management S.A.S. The resulting Adjusted NAV is used for the calculation of the Target Exposure of each Target Index Component in the Index. The corresponding Target Exposure is deemed to be the new Index allocation and shall be implemented on the following

Rebalancing Date and shall remain effective until the next Rebalancing Date.

**(iii) Index concentration rules**

The Index concentration rules have been set with a view to ensuring that no Target Index Component should have a Target Exposure of more than 19% of the total Index allocation at the time of calculation of such Target Exposures, it being nevertheless accepted that, from time to time, one single Target Index Component may have a Target Exposure of up to 34% of such total Index allocation. Any weight in Target Exposures, in excess of the aforementioned Index concentration rules will be redistributed by the Index Calculation Agent, whenever possible, among the other Target Index Components, subject to such Index concentration rules. Please refer to the "Index Substitution" section below for further details in the event that such redistribution would not be feasible for whatever reason.

**(iv) Index reweighting**

The Target Exposure of the Index components are computed on a monthly basis on the basis of the assets under management observed on the Lyxor Platform on the Review Date and the anticipated liquidity constraints. These weightings apply for the entire month and the re-weighting of the Index occur only once a month on the Rebalancing Date. The rebalancing frequency will have no impact in terms of costs in the context of the performance of the investment objective of the Sub-Fund.

**• Role of the Index Committee**

The Index Committee is responsible for:

- Monitoring the level of representativity of the Lyxor Platform with regards to the global hedge fund industry;
- Ensuring an adequate level of investability for the Index;
- Maintaining a sufficient level of diversification among the Index Target Components.

Decisions made by the Index Committee include all matters relating to the Index construction and maintenance. It is the sole responsibility of the Index Committee to decide on all matters relating to

methodology, maintenance, constituent selection and Index procedures.

On any Review Date, the Index Committee may review in accordance with the Index Construction Methodology:

- the universe of potential Eligible Hedge Funds;
- the Investability Threshold;
- the Capacity Factors;
- the principles of the algorithm used by the Index Calculation Agent to determine, in respect of each Target Index Component, the Target Exposure.

**• Index calculation and publication**

The official Index Level is calculated by the Index Calculation Agent on each Official Calculation Date using the then current Target Exposures and the last Official NAVs of the Target Index Components. An indicative Index Level is also calculated by the Index Calculation Agent on each Value Date using the Indicative NAVs of the Target Index Components.

The Index Calculation Agent publishes in respect of each Calculation Date or Official Calculation Date, the Index Level and disseminates this Index Level to data vendors such as Bloomberg or Reuters. Any modification to the Index rules decided by the Index Committee will be announced by the Index Calculation Agent on its internet site.

**• Index Substitution**

There is no guarantee that the Index Construction methodology as described above will not be changed by the Index Sponsor or that the Index Sponsor will not cease to sponsor the Index or that the Index will comply at all times with the Conditions. In the event that the Index is materially modified, that it ceases to exist, that the Index Sponsor ceases to sponsor it or that the Index no longer complies with the Conditions, the Management Company may decide in its discretion to replace the Index or Index Sponsor by a suitable index, or suitable index sponsor or, if no suitable index or index sponsor is then available, to liquidate the Sub-Fund.

Shareholders will be promptly informed in the event that the Index or the Index Sponsor is substituted.



• **Additional Information on Index**

Additional information on the Index, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Index can be found on <https://fr.lyxorfunds.com>.

**INVESTMENT POLICY**

The Sub-Fund seeks to achieve its objective through the use of one or more total return swap transactions (each a "Swap", together the "Swaps"). The use of such Swaps may lead to (i) investing in a diversified portfolio of transferable securities (including but not limited to equities and fixed or variable debt instruments), and (ii) entering into a Swap to track the evolution of the Index and realise the investment objective. The effect of this transaction is that the Sub-Fund exchanges total returns on its portfolio of transferable securities for returns specifically tailored to the Investment Objective of the Sub-Fund.

The counterparty to the Swap is Société Générale which is specialized in that type of transaction and a reference dealer counterparty in OTC derivatives.

The Management Company reserves the right to use other types of Swap structures and use swap counterparties other than Société Générale to achieve the Investment Objective.

The value of the Shares in the Sub-Fund will fall or rise depending on the movements in the Index and Shareholders may get back substantially less than they invested if the Index performs poorly. The Sub-Fund does not offer a protection of capital; however the maximum loss an investor may incur is limited to its investment in the Sub-Fund.

Adjustments of the Swap contract's nominal in the event of eventual subscriptions and redemptions will be performed based on the "mark to market" valuation method.

The valuation of the over-the-counter derivative instruments and swap agreements will be provided by the Counterparty but the Management Company will make its own independent valuation thereof. Such Counterparty will not assume any discretion over the composition of the assets underlying the over-the-counter financial derivative

instruments, which are managed by the Management Company.

The valuation of the Swap agreements will be checked by the auditor of the Company during their annual audit mission.

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

Within the limits set forth in this Prospectus and on an ancillary basis, the Sub-Fund may hold cash and cash equivalents.

With a view to future optimisation of the management of the Sub-Fund, the Sub-Fund may also carry out, in accordance with applicable laws and regulations (including but not limited to CSSF Circular 08/356 and CSSF Circular 13/559), any transactions including efficient portfolio management techniques such as reverse repurchase agreements which consist of transactions whereby, at maturity, the seller (the counterparty) has the obligation to repurchase the asset sold to the Sub-Fund and the Sub-Fund has the obligation to return the asset bought under the terms of the agreement.

The counterparty to these transactions will be Société Générale, however the Investment Manager reserves the right to use other counterparties.

Should the Sub-Fund conclude transactions including efficient portfolio management techniques where securities are received by the Sub-Fund, the Sub-Fund shall not sell those securities or give them to a third party as a guarantee/security.

**ELIGIBILITY OF THE SUB-FUND**

The Sub-Fund will not invest more than 10% of its assets in units or shares of other UCITS or other undertakings for collective investment in order to be eligible for investment by UCITS governed by Council Directive 2009/65/EC.

**TARGETED INVESTORS**

The Sub-Fund is dedicated to both retail and institutional investors wishing to have an exposure in alternative management.

**RISK MANAGEMENT**

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

**CLASSES OF SHARES**

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

Class A (EUR)	Class I (EUR)	Class M (EUR)
Class A (USD)	Class I (USD)	
Class A (GBP)	Class I (GBP)	
Class A (CHF)	Class I (CHF)	
Class A (JPY)	Class I (JPY)	
Class A (SEK)	Class I (SEK)	
Class A (NOK)	Class I (SEK)	

Class A Shares are available to all investors. Class I Shares are only available to institutional investors within the meaning of article 174 (2) of the 2010 Law.

Class M Shares are only available to investors through specific distributors selected by the Management Company. Shares will be issued in registered and/or bearer form.

Fractions of Shares will be issued to three decimal places.

In order to protect Shareholders of Classes not denominated in USD from the impact of currency movements, the Class currency will be hedged back against the USD. The costs and effects of this hedging will be reflected in the Net Asset Value and in the performance of all Classes.

**INITIAL SUBSCRIPTION PERIOD**

Each of the following Classes of Shares are available for subscription as of the relevant launch date indicated below (the "Launch Date") at the following respective initial prices:

- Class A (EUR) and Class I (EUR) were launched on 1 June 2010 at the initial price of EUR 100 per Share;
- Class A (USD) was launched on 1 June 2010 and Class I (USD) was launched on 31 May 2010 at the initial price of USD 100 per Share; and

- Class A (GBP) and Class I (GBP) were launched on 1 June 2010 at the initial price of GBP 100 per Share.

The other Classes of Shares will be launched at a later stage upon decision of the Directors.

**MINIMUM INVESTMENT**

Please refer to the table hereafter for indication on the initial minimum subscription amount and additional minimum subscription amount applicable to each Class of Shares.

Minimum holding requirement: None

The Directors may, for each Class of Shares, waive in their discretion the initial minimum subscription amount and the additional minimum subscription amount.

**SUBSCRIPTION OF SHARES**

Requests for subscription of Shares must be given by indicating either an amount of cash denominated in the Class currency or the number of Shares and shall be centralised by the Registrar and Transfer Agent. In order for requests for subscriptions to be executed on the relevant Dealing Day (i.e. for the avoidance of doubt, on the second Dealing Day that immediately follows such Subscription Deadline) and processed at the Net Asset Value per Share calculated as of the applicable Valuation Day, such requests for subscription must be received on or before the Subscription Deadline (as defined below). Requests for subscriptions received after the Subscription Deadline shall be deemed to have been received before the immediately following Subscription Deadline.

Payment for Shares must be received by the Depositary in cleared funds on the Business Day following the Dealing Day, except that the Board of Directors may decide otherwise by circular resolution.

Different time limits may apply if subscriptions are made through intermediaries (including but not limited to correspondent banks appointed in any given country).

**REDEMPTION OF SHARES**

Requests for redemption of Shares must be given by indicating either the monetary amount or the number of Shares the

shareholder wishes to redeem, in addition to the Sub-Fund's class from which the Shares are to be redeemed.

This request shall be centralised by the Registrar and Transfer Agent. In order for requests for redemption to be executed on the relevant Dealing Day (i.e. for the avoidance of doubt, on the second Dealing Day that immediately follows such Redemption Deadline) and processed at the Net Asset Value per Share calculated as of the applicable Valuation Day, such requests for redemption must be received on or before the Redemption Deadline (as defined below). Requests for redemptions received after the Redemption Deadline (as defined below) shall be deemed to have been received before the Redemption Deadline on the following Dealing Day.

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

Different time limits may apply if redemptions are made through intermediaries (including but not limited to correspondent banks appointed in any given country).

### **CONVERSION OF SHARES**

Shareholders may convert all or part of their Shares into Shares of another Class of the same Sub-Fund or of other Sub-Funds provided that conversion of shares may only be effected in Classes denominated in the same currency and by indicating the monetary amount the shareholder wishes to convert.

### **FEES CHARGED TO INVESTORS WHEN BUYING OR SELLING SHARES OF THE SUB-FUND.**

#### **- Subscription charge**

For any request for subscription: (i) up to a maximum of 5% of the Net Asset Value per Share of each Class A Shares or each Class M Shares, as the case may be, multiplied by the number of Shares subscribed, and (ii) none in respect of each Class I Shares, in each case as set forth in the table hereafter.

The subscription charge, if any, shall be payable to the Management Company, or any distributor or placing agent of the Shares.

#### **- Redemption charge**

For any request for redemption: (i) up to a maximum of 1% of the Net Asset Value per Share of each Class A Shares or each Class M Shares, as the case may be, multiplied by the number of Shares redeemed, and (ii) none in respect of each Class I Shares, in each case as set forth in the table hereafter.

The redemption charge, if any, shall be payable to the Management Company or any distributor or placing agent of the Shares.

### **DEFINITIONS**

"Net Asset Value per Share": means the net asset value per share of the Sub-Fund calculated pursuant the main part of this Prospectus.

"Valuation Day": means with respect to any Dealing Day, the Official Value Date of the Index (as defined above) immediately preceding such Dealing Day.

"Business Day": any full working day in Luxembourg, Jersey and in Paris when the banks are opened for business.

"Dealing Day": As from the launch date, each Business Day immediately following the Official Calculation Date of the Index (as defined above).

"Subscription Deadline" and "Redemption Deadline": In relation to any Dealing Day for the Sub-Fund, the Thursday immediately preceding the corresponding Valuation Day at 18:00 Luxembourg time at the latest, or if such day is not a Business Day, the immediately preceding Business Day.

For the avoidance of doubt, in the event of any delay in the Official Calculation Date of the Index, the applicable Dealing Day will be postponed accordingly.

### **THE MANAGEMENT COMPANY**

A Management Fee is payable quarterly in arrears by the Company to the Management Company. Such fee is set at a maximum of 1.75% per year (inclusive of VAT) of the Net Asset Value of each Class A Shares, 0.90% per year (inclusive of VAT) of the Net Asset Value of each Class I Shares, and 2.15% per year (inclusive of VAT) of the Net Asset Value of each Class M Shares, as set forth in the table hereafter.

**ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT, DEPOSITARY AND PAYING AGENT FEES**

By derogation to the general principles contained in the main part of this Prospectus, the Depositary, the Administrative Agent, the Paying Agent and the Registrar and Transfer Agent shall receive an administrative fee payable quarterly out of the assets of the Sub-Fund (the "Administrative Fee"). Such Administrative Fee is set at a maximum of 0.20% per year (inclusive of VAT) of the Net Asset Value per Share (excluding transaction fees).

**LISTING ON THE LUXEMBOURG STOCK EXCHANGE**

It might be contemplated in the future to make an application to list the Shares of the Sub-Fund on one or more European stock exchanges. A list of these stock exchanges can be obtained from the registered office of the Company.

**PUBLICATION OF THE NET ASSET VALUE**

The Net Asset Value per Share will be available at the registered office of the Fund and will be published on [www.finesti.com](http://www.finesti.com).

**RISKS WARNING**

The following risk warnings should be considered carefully, but are not meant to be an exhaustive listing of all potential risks associated with an investment in Shares. These risk warnings are indicated for information purposes only and notably cannot be deemed to be a complete description of the risks related to an investment in Shares. When considering investing in Shares, any potential investor should bear in mind that Shares may decline abruptly in value and should be prepared to sustain a total loss of their investment in Shares of the Sub-Fund.

**Risk of Losses**

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

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

adopted by the Sub-Fund in order to realise such investments or take such positions. Consequently, the investments of the Sub-Fund are subject to, inter alia, the risk of declines in the Index (which may be abrupt and severe), market risks, credit exposure risks and operational risks.

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

**Volatility**

Investors should be aware that investment in Shares can be very volatile and consequently that they may experience substantial changes in the value of their Shares; the value of Shares can thus change dramatically during any period of time, whatever its length.

**Achievement of Sub-Fund's Investment Objective**

No assurance can be given that the Sub-Fund will achieve its Investment Objective, including without limitation achieving capital appreciation that tracks the performance of the Index. There is no assurance that the investment and asset allocation strategy developed by the Management Company, and as presented in the Investment Objective and the Investment Policy as set out herein can lead to a positive performance in the value of the Shares. The Fund could suffer losses at a time where concomitantly some financial markets experience appreciation in value.

In addition, the performance of the Net Asset Value of any given Class may deviate from the performance of the Index due to various factors, such as but not limited to the effects of foreign exchange transactions that may be entered into for the account of the relevant Class, the liquidity of the funds of the Lyxor Platform, the holding of cash in the relevant Class and the amount of fees taken out of the relevant Class.

**Past Performance**

Past performance of the Sub-Fund and/or any Class of Shares, and/or the Management Company and/or the Index and/or funds of the Lyxor Platform cannot

be construed as an indication of the future results of an investment in the Sub-Fund.

**Change in Index Methodology**

The methodology of the Index may be altered or amended from time to time at the discretion of the Index Sponsor. The Index Sponsor is outside the control of the Sub-Fund and the Management Company. Consequently, there is no guarantee that the Index methodology implemented for the Index will remain at all times during the life of the Sub-Fund similar to the Index methodology described hereinabove.

When the Sub-Fund enters into swap transactions, it is subject to potential counterparty and issuer risk. In the event of the insolvency or default of the counterparty or issuer, the Sub-Fund could suffer a loss.

**HISTORICAL PERFORMANCE**

In order to provide with significant data, the historical performance analysis will be available in the KIIDs.

**DISCLAIMER**

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to be obtained through the use of the Index and/or relative to the level at which the said Index may be at any given moment or day, or of any other type. The Holder will not be liable for any error affecting the Index with regard to any party, and will have no obligation to inform anyone of any possible error affecting the Index. The Index is the exclusive property of Société Générale. Société Générale has contracted with Standard & Poor's to maintain and calculate the Index. Standard & Poor's shall have no liability for any errors or omissions in calculating the Index.

No Shareholder, or any other person or entity, should use or refer to any Société Générale trade name, trademark or service mark to sponsor, endorse, market or promote the Sub-Fund without first contacting Société Générale to determine whether Société Générale's permission is required. Under no circumstances may any person or entity claim any affiliation with Société Générale without the prior written permission of Société Générale.

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**Characteristics of the Share classes available in the Sub-Fund**

Share class	Maximum subscription fee	Maximum redemption fee	Management Fee	Maximum Performance fee	Minimum subscription amount:	
					Initial	Additional
Class I (EUR)	none	none	0.90%	0	EUR 10 000	EUR 1 000
Class I (USD)					USD 10 000	USD 1 000
Class I (GBP)					GBP 5 000	GBP 5 00
Class I (CHF)					CHF10 000	CHF 1 000
Class I (JPY)					JPY 1 000 000	JPY 100 000
Class I (SEK)					SEK 100 000	SEK 10 000
Class I (NOK)					NOK 100 000	NOK 10 000
Class A (EUR)	5%	1%	1.75%	0	EUR 1 000	EUR 100
Class A (USD)					USD 1 000	USD 100
Class A (GBP)					GBP 500	GBP 50
Class A (CHF)					CHF 1 000	CHF 100
Class A (JPY)					JPY 100 000	JPY 10 000
Class A (SEK)					SEK 10 000	SEK 1 000
Class A (NOK)					NOK 10 000	NOK 1 000
Class M (EUR)	5 %	1%	2.15 %	0	EUR 500	EUR 50