

# Pictet Funds (LUX) – Indian Equities

## Simplified Prospectus (January 2010)

### Important information

This prospectus contains essential information relating to the Pictet Funds (LUX) – Indian Equities compartment (the “Compartment”). For more detailed information, please refer to the most recent version of the complete current Pictet Funds (LUX) (the “Fund”) prospectus. The full prospectus, as well as the latest annual and semi-annual reports, may be obtained free of charge from the Fund or the Custodian Bank.

### 1. Legal structure

Pictet Funds (LUX) (the “Fund”) is an open-ended investment company (SICAV) with multiple compartments incorporated under Luxembourg law, in accordance with the provisions of Part I of the Law of 20 December 2002 governing undertakings for collective investment. The Fund was incorporated for an indefinite period on 20 September 1991 under the name of Pictet Umbrella Fund. Its Articles of Association were last amended by notarial act dated 23 January 2009. The Fund has designated Pictet Funds (Europe) S.A. (the “Management Company”) to act as management company in compliance with section 13 of the Law of 20 December 2002.

### 2. Investment policy and objectives

This compartment’s investment policy is to invest, directly or indirectly as described in further detail below, in transferable securities issued by companies and institutions that are based in India or have their main activity in India.

The Compartment will invest a minimum of two-thirds of its total assets or wealth in equities issued by companies that are headquartered in India or conduct the majority of their activity in India.

On an ancillary basis, the compartment may also invest its assets in securities issued by companies that are based in or have their main activity in Pakistan, Bangladesh or Sri Lanka.

The Compartment will hold a diversified portfolio primarily comprising securities issued by companies that are listed on a stock exchange or traded on a regulated market that operates regularly and is recognised and open to the public. The Compartment may invest up to 10% of its net assets in unlisted securities.

The portfolio may include ordinary or preferred shares and convertible bonds as well as warrants on transferable securities. The portfolio may also include certificates of deposit (GDRs) issued by companies in India or similar instruments listed on a stock exchange in India or elsewhere.

If required by market conditions, the portfolio may also hold bonds issued by companies based in India and bonds issued or guaranteed by the Indian Government.

In addition, the Compartment may also invest up to 10% of its net assets in UCIs and, within the limits allowed by the investment restrictions, in warrants on transferable securities and subscription rights.

The compartment may also invest in structured products, such as bonds or other transferable securities whose returns are linked to the performance of an index, transferable securities or a basket of transferable securities, or an undertaking for collective investment, for example.

The compartment may use derivative techniques and instruments for efficient management, within the limits specified in the investment restrictions.

### 3. Risk profile of the Compartment

The Compartment is subject to certain risks inherent in each investment, such as the following:

- risks specific to a given market
- variations in exchange rates
- variations in interest rates.

Invested capital may fluctuate downwards as well as upwards, and investors may not recuperate the entire value of the capital initially invested.

**Investors should be aware that the acquisition of derivative instruments involves certain risks that could have a negative effect on the performance of the compartment. In addition, due to their volatility, warrants present an above-average economic risk.**

For further information regarding the risks associated with the investment policy, please refer to the full prospectus.

Low risk    Lower than average risk    Average risk    Higher than average risk    High risk



### 4. Typical investor profile

The compartment is an investment vehicle for investors:

- who wish to invest in shares issued by companies with headquarters in India and/or whose main activities are conducted in India;
- who are willing to bear significant variations in market value and thus have a low aversion to risk ;
- who have a long-term investment horizon (at least 7 years).

### 5. Types of shares

Type of share	Activated	ISIN code	Initial min.	Base currency	Subscription and redemption currencies	Dividend distribution	Fees (max%) *		
							Management	Service	Custodian Bank
I (2)	✓	LU0180457029	1 million	USD	USD	–	1.20%	0.65%	0.30%
P Cap	✓	LU0070964530	–	USD	USD	–	2.40%	0.65%	0.30%
P Distr	✓	LU0208610534	–	USD	USD	✓	2.40%	0.65%	0.30%
R	✓	LU0177113007	–	USD	USD	–	2.90%	0.65%	0.30%
Z (3)	✓	LU0232253954	–	USD	USD	–	0%	0.65%	0.30%
I-EUR (2)	✓	LU0255978933	(1)	EUR	EUR	–	1.20%	0.65%	0.30%
P Cap-EUR	✓	LU0255979071	–	EUR	EUR	–	2.40%	0.65%	0.30%
R-EUR	✓	LU0255979154	–	EUR	EUR	–	2.90%	0.65%	0.30%
P Distr-GBP	✓	LU0320648925	–	GBP	GBP	✓	2.40%	0.65%	0.30%

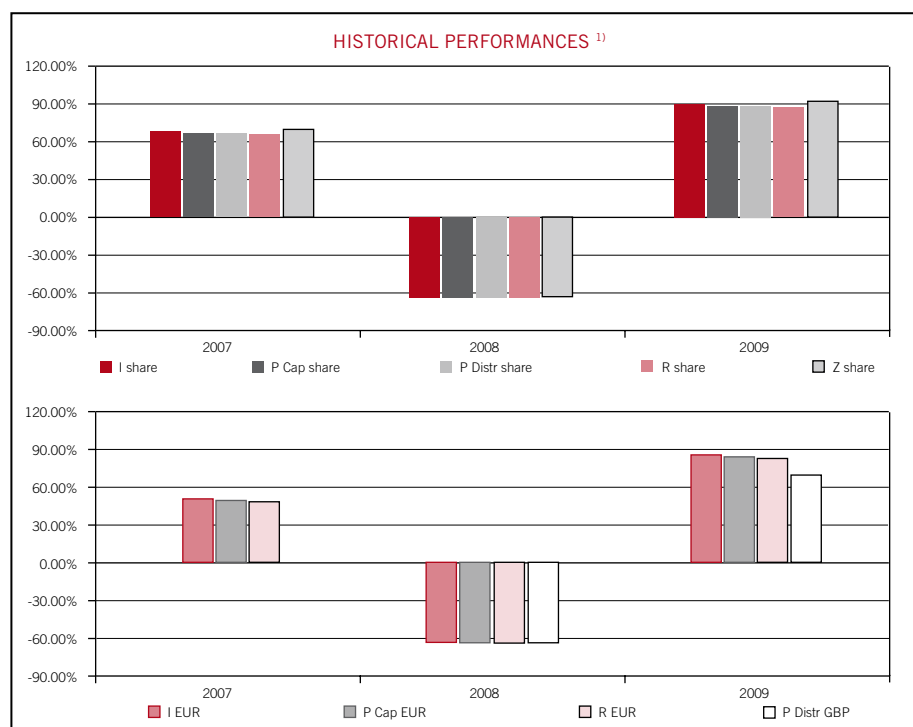
\* per year of the average net assets attributable to this type of share.

(1) USD 1,000,000 converted to EUR on the day of the NAV calculation.

(2) I shares: reserved for institutional investors.

(3) Z shares: reserved for institutional investors who have concluded a specific remuneration agreement with Pictet & Cie, Geneva, or any other entity of the Pictet Group.

## 6. Historical performance



1) after accounting for distributions made.

P Distr-GBP shares were activated on 14 November 2007.

Past performance is not an indicator of present or future performance.

The performance data do not include commissions and fees received on the issue or redemption of shares.

## 7. Net asset value, subscriptions and redemptions

<b>Frequency of net asset value ("NAV") calculations</b>	Each banking day and the last calendar day of the month, unless this day is a Saturday or Sunday
<b>Consolidation currency</b>	USD
<b>Deadline for placing subscription and redemption orders</b>	3pm on the last banking day preceding the applicable NAV calculation date
<b>Payment value date</b>	Within 5 banking days following the applicable NAV
<b>Publication of the net asset value</b>	Published at the registered office of the Management Company on each valuation day and on the website of Pictet Funds S.A. <a href="http://www.pictetfunds.com">www.pictetfunds.com</a>

## 8. Compartment fees and charges

### • Fees payable directly by the investor

Intermediaries may deduct the following maximum commissions from Compartment shares:

Type of share (1)	Front-end load	Back-end load	Conversion
I	Max 5%	Max 1%	Max 2%
P Cap	Max 5%	Max 1%	Max 2%
P Distr	Max 5%	Max 1%	Max 2%
R	Max 5%	Max 3%	Max 2%
Z	Max 5%	Max 1%	Max 2%

(1) And any corresponding shares.

In addition, when the Fund is distributed abroad, the regulations in force in some jurisdictions may require the presence of a local Paying Agent. In this case, investors domiciled in these jurisdictions may be required to bear the fees and commissions levied by the local Paying Agents.

In accordance with market practices, and based on the requirements of local distributors, the Distributor may deem it necessary to establish minimum subscription levels for shares in the Compartment, limit conversions between share classes and, while remaining within the limits imposed by the prospectus, apply a specific policy to subscription, redemption and conversion fees levied on behalf of local distributors.

- **Fees payable by the Compartment:**

In addition to the fees described in point 5 above, the Compartment will also pay brokerage commissions and fees, the taxe d'abonnement (subscription tax), legal and auditing fees and any other fees owed by the Compartment.

## 9. Tax status

The Compartment is subject to Luxembourg tax legislation. Purchasers of shares in the Compartment should refer to the Fund's full prospectus and are responsible for ensuring that they are duly informed of the relevant legislation and regulations applicable to the acquisition, holding and sale of shares, in the light of their residence and nationality.

In accordance with legislation in force in Luxembourg, the Compartment is not liable to any Luxembourg tax whatsoever, withheld at source or otherwise, on capital gains or income. However, the net assets of the Compartment are subject to tax at an annual rate of 0.05%, payable at the end of each quarter and calculated on the basis of the Compartment's net assets at the end of each quarter. This tax will be reduced to 0.01% for assets relating to shares reserved for institutional investors.

## 10. Miscellaneous

Prospectuses, annual reports, semi-annual reports and other information concerning the Fund may be obtained from:

**Pictet & Cie (Europe) S.A.**

1, Boulevard Royal, L-2449 Luxembourg  
Tel: +352 467 171-1, Fax: +352 220 229

## 11. Other information

Management Company Pictet Funds (Europe) S.A. 3 Boulevard Royal, L-2449 Luxembourg	Fund Auditors Deloitte S.A. 560 rue de Neudorf, L-2220 Luxembourg
Custodian Bank Pictet & Cie (Europe) S.A. 1 Boulevard Royal, L-2449 Luxembourg	Legal Adviser Elvinger, Hoss & Prussen 2, Place Winston Churchill, B.P. 425, L-2014 Luxembourg
Transfer Agent, Administrative Agent and Paying Agent Pictet & Cie (Europe) S.A. 1 Boulevard Royal, L-2449 Luxembourg	Supervisory Authority CSSF - Supervisory Authority of the Finance Industry 110 Route d'Arlon, L-2991 Luxembourg
Promoter Pictet & Cie (Europe) S.A. 1, Boulevard Royal, L-2449 Luxembourg	Distributor Any legal entity of the Pictet Group held directly or indirectly by Pictet & Cie, Geneva and duly authorised to exercise such functions.
Managers Pictet Asset Management Limited, London Pictet Asset Management S.A., Geneva	