

PROSPECTUS

LYXOR UCITS ETF EURO STOXX 50

UNITED KINGDOM FACILITIES:

This collective investment scheme is recognised under section 264 of the Financial Services and Markets Act 2000 (the "FSMA") and this Prospectus is available to the general public in the United Kingdom. Potential investors in the United Kingdom are advised that most, if not all, of the protections provided by the United Kingdom regulatory system generally and for UK authorised funds do not apply to recognised funds such as this collective investment scheme. In particular, investors should note that holdings of units or shares in the fund will not be covered by the provisions of the Financial Services Compensation Scheme, nor by any similar scheme in France.

Facilities are maintained at the office of Société Générale (London Branch), Exchange House, Primrose Street, London EC2A 2HT.

(a) where information in English can be obtained about the most recently published sale and purchase prices of units or shares;

(b) where an investor in the fund may redeem or arrange for the redemption of units or shares and from which payment of the price on redemption may be obtained; and

(c) at which any person who has a complaint to make about the operation of the collective investment scheme can submit his complaint for transmission to the Management Company.

Copies of the following documents in English are available for inspection at the office of Société Générale (London Branch), set forth above, during usual business hours on any business day from the date on which the Fund becomes recognized under Section 264 of the Financial Services and Markets Act 2000:

(a) the latest up-to-date scheme rules or the instrument constituting the collective investment scheme;

(b) the most recent Prospectus;

(c) the most recent key investor information document(s); and

(d) the most recently prepared and published annual reports and half-yearly reports.

The documents listed at (b) and (c) above are obtainable free of charge.

LYXOR UCITS ETF EURO STOXX 50

PROSPECTUS

COMPLIANT WITH DIRECTIVE 2009/65/EC

GENERAL CHARACTERISTICS

FUND TYPE

A French common fund ("fonds commun de placement")

NAME

LYXOR UCITS ETF EURO STOXX 50 (hereinafter the "FCP")

LEGAL FORM AND MEMBER STATE IN WHICH THE FUND WAS CREATED

Fonds Commun de Placement (FCP, unincorporated fund) operating under French law, established in France.

DATE ESTABLISHED AND INTENDED TERM

This Fund was approved by the Autorité des Marchés Financiers (Financial Markets Authority) on 23 January 2001 and was established on 19 February 2001 for a term of 99 years.

KEY INFORMATION

Units	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Minimum amount for subscription / redemption (primary market) and purchase/sale amount (secondary market)	Index ratio	Listing exchange
D-EUR	FR0007054358	Accumulation and/or Distribution	EUR	D-EUR units are available to all investors	EUR 100,000 on the primary market N/A on the secondary market ⁽¹⁾	1/100	Deutsche Boerse (Frankfurt); NYSE Euronext (Paris), Borsa Italiana (Milan), SIX Swiss Exchange (Zurich), Bolsa de Madrid, Euronext Brussels, Wiener Boerse (Vienna)
I-EUR	FR0010816041	Accumulation and/or Distribution	EUR	I-EUR units are for institutional investors.	EUR 100,000 on the primary market	1/10	N/A
J-EUR	FR0011554260	Accumulation and/or Distribution	EUR	J-EUR units are available to all investors but are intended mainly for institutional investors	EUR 100,000 on the primary market	1/1	N/A
K-EUR	FR0011554286	Accumulation and/or Distribution	EUR	K-EUR units are available to all investors but are intended mainly for institutional investors	EUR 100,000 on the primary market	10	N/A

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

WHERE TO OBTAIN THE MOST RECENT ANNUAL AND INTERIM REPORTS

The most recent annual reports and the asset inventory statement will be sent out within eight business days at the investor's request in writing to:

LYXOR INTERNATIONAL ASSET MANAGEMENT.

17 Cours Valmy - 92987 Paris La Défense France

e-mail: contact@lyxor.com.

More information can be requested on Lyxor's website at www.lyxoretf.com.

SERVICE PROVIDERS

SOCIETE DE GESTION

LYXOR INTERNATIONAL ASSET MANAGEMENT.

A French simplified joint-stock company (Société par Actions Simplifiée - SAS).

Registered office: 17 Cours Valmy - 92987 Paris La Défense France

Postal address: Tour Société Générale - 17, Cours Valmy - 92987 Paris-La Défense Cedex – FRANCE.

CUSTODIAN/DEPOSITARY

SOCIETE GENERALE.

A credit institution founded on 4 May 1864 by special decree of Napoleon III.

Registered office: 29, bd Haussmann - 75009 Paris – FRANCE.

Postal address: 75886-Paris cedex 18

TRANSFER AGENT AND REGISTRAR

By delegation from Lyxor International Asset Management:

SOCIETE GENERALE.

A credit institution founded on 4 May 1864 by special decree of Napoleon III.

Registered office: 29, bd Haussmann - 75009 Paris – FRANCE.

Postal address: 32 rue du champ de tir - 44000 Nantes – France

AUDITOR

PRICEWATERHOUSECOOPERS AUDIT.

A French joint-stock company.

Registered office: 3, rue de Villiers - 92208 Neuilly-sur-Seine - France.

Signatory: Marie-Christine Jetil.

ADMINISTRATION AND ACCOUNTING

LYXOR INTERNATIONAL ASSET MANAGEMENT will delegate the Fund's administration and accounting to:

Société Générale Securities Services Net Asset Value

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

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

MARKET MAKER

As of 12 March 2001, the following financial institution (the "Market Maker") is responsible for making a market in the Fund's units

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

MANAGEMENT AND OPERATIONS: GENERAL CHARACTERISTICS

UNIT CHARACTERISTICS

Units are registered in a register in the name of the entities that keep the accounts of unit-holders on their behalf. The register is kept by Société Générale's Securities and Stock Market Department (Département des Titres et de la Bourse).

Each Fund unit-holder has a co-ownership right to the Fund's net assets that is proportional to the ratio of the value of the category of unit held divided by the total net assets and multiplied by the number of units held of that category.

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

The units are held in bearer form and will not be divided into fractions.

LISTING OF THE FUND'S UNITS ON A REGULATED MARKET

- When the units are listed on Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Pursuant to article D 214-22-1 of the French Monetary and Financial Code the units or shares of undertakings for collective investments in transferable securities may be admitted to trading, provided that these undertakings have a system to ensure that the market price of their units or shares does not differ significantly from their net asset value. Under NYSE Euronext Paris rules trading in the Fund's units is also subject to a 'reservation threshold' of 1.5% above or below the Fund's indicative net asset value or "iNAV" (see the "Indicative Net Asset Value" section), as published by NYSE Euronext Paris and updated on an estimated basis during trading in accordance with the change in the EURO STOXX 50® NET RETURN index.

To comply with the reservation thresholds of the NYSE Euronext Paris exchange (see the "Indicative Net Asset Value" section) the Market Makers will ensure that the market price of the Fund's units does not differ from the Fund's indicative Net Asset Value by more than 1.5%.

- When the units are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following rules:

Investors wishing to acquire units in the Fund listed on an exchange listed in the "Key Information" section should familiarize themselves with the guidelines laid down by the relevant market undertaking in compliance with local regulations, and if necessary should seek assistance from their usual brokers on the relevant exchange(s).

BALANCE SHEET DATE

The last business day in France in April.

First balance sheet date: the last business day in France in April 2002.

TAXATION

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

France:

The Fund qualifies for French PEA equity savings plans.

The Fund shall remain in compliance with asset restrictions which qualify it for purchase under an Equity Savings Plan, i.e. more than 75% of the shares held are in companies with their head office in a member state of the European Union or in another state that is party to the European Economic Area agreement and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting fraud and tax evasion.

The Fund is eligible for unit-linked life insurance policies.

1. Taxation of the Fund

In France, the co-ownership status of FCP funds means that they are not subject to corporate income tax and therefore inherently benefit from some tax transparency. Income received and generated by the Fund through its management activities is not therefore taxable at the level of the Fund.

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

2. Taxation of Fund unit-holders

2.1 French resident unit-holders

The Fund's distributions to French residents, as well as capital gains or losses, are subject to prevailing tax legislation.

Investors are advised to consider their specific situation with their usual tax advisor.

2.2 Non-French resident unit-holders

The terms of a tax treaty or lack thereof may make the Fund's distributions subject to a standard deduction at source or withholding tax in France.

Moreover, capital gains realized on the purchase/disposal of FCP fund units are generally tax-exempt.

Unit holders resident outside France will be subject to the applicable tax legislation in their country of residence.

MANAGEMENT AND OPERATIONS: SPECIFIC CHARACTERISTICS

ISIN CODES:

D-EUR units: FR0007054358

I-EUR units: FR0010816041

J-EUR units: FR0011554260

K-EUR units: FR0011554286

CLASSIFICATION

Eurozone country equities.

The Fund will always be at least 60% exposed to one or more exchanges on which equities issued in one or more eurozone countries are traded and possibly including France.

The Fund is a UCITS ETF type index tracker.

INVESTMENT OBJECTIVE

The Fund's investment objective is to replicate the performance of the EURO STOXX 50® NET RETURN index, while minimising the tracking error between the Fund's performance and that of the EURO STOXX 50® NET RETURN index.

The expected ex-post tracking error under normal market conditions is 0.25%.

BENCHMARK INDEX

The benchmark index is the EURO STOXX 50® NET RETURN index (net dividends reinvested), denominated in euros, hereinafter the “**Benchmark Index**”.

The Benchmark Index is a subset of the EURO STOXX index. It is composed of the eurozone's 50 largest stocks, which are selected on the basis of their market capitalisation, high liquidity and representativeness of an economic sector. The Benchmark Index aims for a weighting by country and by economic sector that most closely reflects the structure of the eurozone's economy.

PUBLICATION OF THE BENCHMARK INDEX

Real-time Benchmark Index values are available via Bloomberg and Reuters.

On Reuters: .STOXX50ER

On Bloomberg: SX5T

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

The complete index methodology is available on the Internet at www.stoxx.com/indices/

BENCHMARK INDEX COMPOSITION AND REVISION

The Benchmark Index's composition is revised annually.

A full description and the complete methodology used to construct the Benchmark Index and information on the composition and respective weightings of the Benchmark Index components are available on the Internet at <http://www.stoxx.com/indices>

The frequency with which the Benchmark Index is rebalanced does not affect the cost of implementing the Investment Strategy.

INVESTMENT STRATEGY

1. Strategy employed

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

To achieve the highest possible correlation with the performance of the Benchmark Index, the Fund will be exposed to the Benchmark Index via an indirect replication method which involves (i) the purchase of a basket of balance sheet assets (as defined below) and international equities in particular, and (ii) the use of an OTC swap contract that enables the Fund to achieve its investment objective by converting the exposure of its balance sheet assets into exposure to the Benchmark Index.

The Fund's equity assets will be mainly the equities that make up the Benchmark Index, as well as other European equities from all economic sectors, listed on all markets including small cap markets.

These equity equities will be selected on the basis of the following:

- eligibility criteria, in particular:
 - o their inclusion in major stock exchange indices or in the Benchmark Index
 - o liquidity (must exceed a minimum daily trading volume and market capitalization)
 - o credit rating of the country where the issuer has its registered office (must have a least a minimum S&P or equivalent rating)
- diversification criteria, in particular regarding:
 - o the issuer (application of investment ratios to assets that qualify for UCITS, pursuant to Art. R214-21 of the French Monetary and Financial Code)
 - o geography
 - o sector

The basket of equities held may be adjusted daily such that its value will generally be at least 100% of the Fund's net assets. When necessary, this adjustment will be made to ensure that the market value of the swap contract mentioned above is less than or equal to zero, which will neutralize the counterparty risk arising from the swap.

Investors may find more information on the above eligibility and diversification criteria, and in particular the list of eligible indices, on Lyxor's website at www.lyxoretf.com

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

The Fund will at all times invest at least 75% of its assets in companies with head offices in a member state of the European Union or in another country that is a member of the European Economic Area and which has signed a tax convention with France that includes an administrative assistance clause for the purpose of fighting tax fraud and evasion. This minimum investment requirement qualifies the Fund for French 'PEA' equity savings plans.

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

2. Balance sheet assets (excluding embedded derivatives)

The Fund will comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009.

In compliance with regulatory ratios, the Fund may invest in international stocks, in any economic sector and listed on any exchange.

Investment in undertakings for collective investment in transferrable securities ("UCITS") that comply with Directive 2009/65/EC is limited to 10% of the Fund's net assets. The fund manager will not invest in the shares or units of alternative investment funds as defined in Article R214-13 of the French Monetary and Financial Code.

To optimize the Fund's management, the manager reserves the right to use other instruments in accordance with the regulations in order to achieve its investment objective.

3. Off-balance sheet assets (derivatives)

The Fund will use OTC index-linked swaps that swap the value of the Fund's equity assets (or the value of any other financial instruments or assets the Fund may hold) for the value of the Benchmark Index.

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

In accordance with its best execution policy, the management company considers that Société Générale is the counterparty that is generally able to obtain the best possible execution for these financial derivative instruments. Accordingly, these financial derivative instruments (including index-linked swaps) may be traded via Société Générale without having to seek a competitive bid from another counterparty.

The counterparty of the financial derivative instruments referred to above (the "Counterparty") will have not discretionary power over the composition of the Fund's portfolio nor over the underlying assets of the financial derivative instruments.

4. Securities including derivatives

N/A.

5. Cash deposits

In order to optimize its cash management, the Fund may deposit funds representing up to 20% of its net assets with lending institutions that belong to the same group as the depositary/custodian.

6. Cash borrowing

The Fund may borrow up to 10% of its net assets on a temporary basis.

7. Temporary purchases and disposals of securities

N/A The manager shall not engage in any temporary purchases or sales of securities.

8. Collateral

N/A. The Fund shall not give any collateral for the purpose of its investment management.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments selected by the management company. These instruments are subject to market trends and contingencies.

Investors in the Fund are exposed to the following main risks:

Equity risk

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

Capital risk

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

Liquidity risk (primary market)

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

Liquidity risk (secondary market)

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

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

Counterparty risk

The Fund is exposed to the risk that a counterparty with which the Fund has entered into a contract or transaction may go bankrupt or default on a settlement or other obligation. The Fund is mainly exposed to counterparty risk resulting from the use of financial derivative instruments (FDI) traded over the counter with Société Générale or some other counterparty. In compliance with UCITS regulations, exposure to counterparty risk (whether the counterparty is Société Générale or another entity), cannot exceed 10% of the Fund's total assets per counterparty.

If a counterparty defaults on an obligation the FDI contract may be terminated before maturity. The Fund will do everything in its power to achieve its investment objective by, if appropriate, entering into another FDI contract with another counterparty at the market conditions at the time of such an event.

If this counterparty risk materializes it could have an impact on the Fund's ability to achieve its investment objective of replicating the Benchmark Index.

When Société Générale is the FDI counterparty, conflicts of interest may arise between it and the Fund's management company, which has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

Risk that the investment objective is not fully achieved

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

- Risk of using financial derivative instruments

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

- Risk due to a change in the tax regime

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

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

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

- Regulatory risk affecting the Fund

In the event of a change in the regulatory regime in a jurisdiction where the Fund is domiciled, authorized for sale or listed, the subscription, conversion or redemption of share or units may be adversely affected.

- Regulatory risk affecting the Fund's underlying assets

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

- Benchmark Index disruption risk

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

If the disruption of the Benchmark Index persists, the Fund manager will determine an appropriate course of action, which could decrease the Fund's net asset value.

A 'Benchmark Index event' includes but is not limited to the following situations:

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

- Operational Risk

An operational failure within the management company or of one of its representatives may delay the subscription, conversion or redemption of shares or units or otherwise disrupt service to investors.

- Corporate action risk

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

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

D-EUR units:

The Fund's D-EUR category units ("D-EUR units") are available to all investors.

Investors subscribing to this Fund are seeking exposure to eurozone equity markets.

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

All investors are therefore asked to consider their specific situation with the help of their usual investment advisor.

The recommended minimum investment period is at least five years.

I-EUR units

The Fund's I-EUR category units ("I-EUR units") are reserved for institutional investors, whose initial subscription must be for a minimum amount of 100,000 euros.

I-EUR unit-holders must hold at least 100,000 euros worth of units at each Net Asset Value date or redeem all of their I-EUR units.

J-EUR units

The Fund's J-EUR category units ("J-EUR units") are reserved for institutional investors, whose initial subscription must be for a minimum amount of 100,000 euros.

J-EUR unit-holders must hold at least 100,000 euros worth of units at each Net Asset Value date or redeem all of their I-EUR units.

K-EUR units

The Fund's K-EUR category units ("K-EUR units") are reserved for institutional investors, whose initial subscription must be for a minimum amount of 100,000 euros.

J-EUR unit-holders must hold at least 100,000 euros worth of units at each Net Asset Value date or redeem all of their I-EUR units.

CURRENCY

D-EUR units	I-EUR units	J-EUR units	K-EUR units
Euro	Euro	Euro	Euro

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

D-EUR units: The management company reserves the right to distribute income one or more times a year and/or accumulate all or part of income. Realized net capital gains will be accumulated.

I-EUR units: The management company reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

J-EUR units: The management company reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

K-EUR units: The management company reserves the right to distribute distributable amounts one or more times a year and/or accumulate all or part of these amounts.

DISTRIBUTION FREQUENCY

The management company reserves the right to distribute distributable amounts in one or more annual distributions.

UNIT CHARACTERISTICS

Subscription orders may be placed for a specific monetary amount or for a whole number of units.

Only a whole number of units may be redeemed.

SUBSCRIPTION AND REDEMPTION

1 / SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for units in the Fund will be processed by Société Générale's Securities and Stock Market Department (Département des Titres et de la Bourse) from 10:00am to 5:00pm (Paris time) every day that the Fund's net asset value is to be published, provided that prices are quoted for a significant proportion of the Benchmark Index components (hereinafter a "**Primary Market Day**"), and will be executed at the net asset value on the Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption orders submitted after 5:00pm (Paris time) on a Primary Market Day will be processed as if received between 10:00am 5:00pm (Paris time) on the following Primary Market Day. Orders to subscribe for or redeem units in the Fund must be made for an exact number of whole units that corresponds to a minimum amount of at least 100,000 euros.

Subscriptions and redemptions in cash. Subscriptions/redemptions made exclusively in cash will be carried out on the basis of the reference NAV.

Delivery and settlement.

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

The Fund's net asset value is calculated using the Benchmark Index's closing price in euros.

Date and frequency of net asset value calculation

The net asset value will be calculated and published daily provided that at least one of the exchanges where the Fund is traded is open and that the orders placed in the primary and secondary markets can be funded.

The Fund's net asset value is calculated using the Benchmark Index's closing price. The Fund's net asset value is denominated in EUR.

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

2 / PURCHASES AND SALES ON THE SECONDARY MARKET

A. COMMON PROVISIONS

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

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

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

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

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

Notwithstanding the provisions concerning fees presented in the section entitled "SUBSCRIPTION AND REDEMPTION FEES (charged only on primary market transactions)", redemptions made in the primary market in this case shall only be subject to a net redemption fee of 0.5% paid to the Fund and which serves to cover its trading costs.

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

B. SPECIAL PROVISIONS

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

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

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

The Fund units will be listed on a specific trading list, the rules for which are defined in the following instructions published by Euronext Paris SA:

- Instruction No. 4-01 " Universal Trading Platform Manual"
- Appendix to Instruction N4-01 (Appendix to the Euronext Market Trading Manual
- Instruction No. 6-04 "Documentation to be provided when filing a listing application for an ETF, ETN, ETV and open-ended undertakings for collective investment other than ETFs"

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

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

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

Euronext Paris SA will also suspend trading in the Fund's units in the following cases:

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

In accordance with the terms and conditions governing admission to trading on Euronext Paris, the Market Makers undertake to provide market-making services for the Fund's units as soon as they are admitted to trading on the Euronext Paris exchange.

In particular, the Market Makers undertake to carry out market-making operations by maintaining a permanent presence in the market, which initially entails the setting of a bid/ask spread.

More specifically, the Market Makers are required by contract with Euronext Paris SA to ensure that the Fund maintains:

- a maximum global spread of 1.5% between the bid and offer price in the centralised order book.
- a minimum nominal trading value of EUR 100,000.

The obligations of the Fund's Market Makers will be suspended in the following cases:

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

Indicative net asset value:

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

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

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

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

For the calculation of the Fund's iNAV during the Paris trading session (from 9.05 am to 5.35 pm), Euronext Paris SA will use the Benchmark Index value published by Reuters. If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the iNAV cannot be calculated, trading in the Fund's units may be suspended.

Lyxor International Asset Management, the Fund's management company, will provide Euronext Paris SA with all the financial and accounting data it needs to calculate the Fund's iNAV and in particular:

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

These data will serve as a basis for Euronext Paris SA's calculations to determine the Fund's iNAV every following Trading Day and which is updated in real time.

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

b) If the Fund's units are listed on an exchange other than Euronext Paris, as indicated in the "Key Information" section, investors should note the following:

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

FEES AND CHARGES

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

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

Fees paid by investors upon subscription or redemption	Base	Maximum charge
Subscription fee not kept by the Fund	NAV per unit × number of units	The higher value of either EUR 50,000 per subscription order or 5% of the net asset value per unit multiplied by the number of units subscribed, payable to third parties
Subscription fee kept by the Fund	NAV per unit × number of units	N/A
Redemption fee not kept by the Fund	NAV per unit × number of units	The higher value of either EUR 50,000 per redemption order or 5% of the net asset value per unit multiplied by the number of units redeemed, payable to third parties
Redemption fee kept by the Fund	NAV per unit × number of units	N/A

No subscription or redemption fee will be charged for any purchase or sale of Fund units on one of the Fund's listing exchanges.

OPERATIONAL AND MANAGEMENT FEES

These fees cover all the costs invoiced directly to the Fund, except for transaction expenses, which include intermediary fees (brokerage, stock market taxes etc.) and any turnover fee that may be charged by the depositary or the management company.

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

- incentive fees, which the Fund pays to the management company when the Fund exceeds its objectives
- turnover fees charged to the Fund.

For more information on the fees or expenses that the Fund must pay, see the Statistics section of the Key Investor Information Document.

For D-EUR, I-EUR, J-EUR and K-EUR units.

Fees charged to the Fund	Base	Maximum charge
Operating and management fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾	Net asset value	0.20% per annum
Incentive fee	Net asset value	N/A
Turnover fee:	Charge on each transaction	N/A

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

The Fund will be subject to no turnover fee.

COMMERCIAL INFORMATION

Distribution of this prospectus and the offer or purchase of units in the Fund may be subject to restrictions with regard to certain persons or in certain countries by virtue of national regulations applying to such persons or such countries. Investors are therefore responsible for ensuring that they are authorised to subscribe to or invest in this Fund. The information in this prospectus therefore cannot be construed to be an offer or solicitation to buy or sell units in the Fund in a country where such offer or solicitation is unlawful.

The Fund will not be registered under the US Securities Act of 1933, as amended (the US Securities Act) and cannot be offered or sold in the United States of America without prior registration under the US Securities Act or unless exempted from registration under the US Securities Act.

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

PLACE AND METHOD OF NET ASSET VALUE PUBLICATION OR COMMUNICATION

At the head office of LYXOR INTERNATIONAL ASSET MANAGEMENT, at 17, cours Valmy - 92987 Paris La Défense CEDEX - France.

La valeur liquidative indicative du FCP sera calculée et publiée par Euronext Paris SA chaque Jour de Bourse à Paris, pendant les heures de cotation.

IMPORTANT INFORMATION ABOUT THE INDEX PROVIDER

STOXX and its licensors have no relationship to the licensee, other than the licensing of the EURO STOXX 50® NET RETURN index and the related trademarks for use in connection with the LYXOR UCITS ETF EURO STOXX 50 fund.

STOXX and its licensors:

- make no representation or warranty as to the merits of investing in the FCP LYXOR UCITS ETF EURO STOXX 50 fund, which they also refrain from marketing or promoting.
- make no recommendation to anyone whomsoever to invest in the LYXOR UCITS ETF EURO STOXX 50 fund or in any other securities.
- shall not be held responsible or liable nor have any obligation in respect of the issuance, number or pricing of the LYXOR UCITS ETF EURO STOXX 50 fund units, and will make no decisions in relation to this.
- shall not be held responsible or liable nor have any obligation in respect of the administration, management or marketing of the LYXOR UCITS ETF EURO STOXX 50 fund.
- have no obligation to take into consideration the needs of the LYXOR UCITS ETF EURO STOXX 50 fund or of its unit-holders when determining, constructing or calculating the EURO STOXX 50® NET RETURN index.

STOXX and its licensors disclaim any and all liability in connection with the LYXOR UCITS ETF EURO STOXX 50 fund and in particular:

- **STOXX and its licensors make no warranty, express or implied, whatsoever regarding the following:**
 - the results to be obtained by the LYXOR UCITS ETF EURO STOXX 50 fund, by an investor in the LYXOR UCITS ETF EURO STOXX 50 fund, or by anyone who uses the EURO STOXX 50® NET RETURN index or its data
 - the accuracy or completeness of the EURO STOXX 50® NET RETURN index or its data
 - the negotiability of the EURO STOXX 50® NET RETURN index or of its data, and their appropriateness for a specific use or particular purpose.
- **STOXX and its licensors disclaim any and all liability for any error, omission or interruption in the EURO STOXX 50® NET RETURN index or its data.**
- **Under no circumstance shall STOXX or its licensors be liable for any economic loss whatsoever, including consequential loss, even if STOXX and its licensors are informed of such risk.**

The license agreement between LYXOR INTERNATIONAL ASSET MANAGEMENT and STOXX was entered into in their sole interest and not in the interest of the LYXOR UCITS ETF EURO STOXX 50 fund's unit-holders nor in the interest of any third party.

ADDITIONAL INFORMATION

The Fund's units are admitted to trading by Euroclear France S.A.

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France SA) to Societe Generale's Département des Titres et de la Bourse (Securities and Stock Market Department).

The Fund's prospectus, the Key Investor Information Document, the most recent annual reports and the asset inventory statement will be sent out within eight business days after the receipt of a written request from the investor to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17 Cours Valmy - 92987 Paris La Défense France.

e-mail: contact@lyxor.com

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

Prospectus publication date: 13/03/2014

Pursuant to Article L.533-22-1 of the French Monetary and Financial Code, information concerning the Management Company's possible inclusion of social, environmental and corporate governance objectives and performance criteria in its investment policy is available on the management company's website and in the Fund's annual report.

The AMF's website (www.amf-france.org) contains additional information on the list of regulatory documents and all the provisions relating to investor protection.

This Prospectus shall be made available to investors prior to subscription.

INVESTMENT RULES

The Fund will comply with the investment rules set out in the European Directive 2009/65/EC of 13 July 2009.

The Fund may invest in the assets specified in Article L214-20 of the French Monetary and Financial Code, subject to the risk-diversification and investment ratio requirements of Articles R214-21 to R214-27 of said Code.

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French Monetary and Financial Code, the Fund may invest up to 20% of its assets in the equities and debt securities of a single issuer, in compliance with Article R214-22-I, which deals with index-tracking funds. Pursuant to Article R214-22 II, the Fund may also increase this 20% limit for a single issuer to 35%, when this is shown to be justified by exceptional market conditions, and in particular when certain securities are largely dominant.

OVERALL RISK EXPOSURE

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

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Fund's assets are valued in accordance with applicable laws and regulations and most notably Regulation No. 2003-02 of 2 October 2003 of the Comité de la Réglementation Comptable (the Accounting Regulations Committee), which applies to the chart of accounts for investment funds (Part one).

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

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

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

B. ACCOUNTING METHOD FOR TRADING EXPENSES

Trading expenses are included in the initial cost of the transaction.

C. ACCOUNTING METHOD FOR INCOME FROM FIXED-INCOME SECURITIES

Income from fixed-income securities is accounted for using the cash-basis method.

D. DISTRIBUTION POLICY

For more information see the section entitled "Calculation and Allocation of Distributable amounts"

E. ACCOUNTING CURRENCY

The Fund's accounts are kept in euros.

SECTION 1
ASSETS AND UNITS**ARTICLE 1 - CO-OWNERSHIP OF UNITS**

Co-ownership rights are expressed in units, with each unit corresponding to the same percentage of the Fund's assets. Each unit-holder has a co-ownership right to the Fund's assets proportional to the number of units held.

The Fund's term begins on the date it is approved by l'Autorité des Marchés Financiers (the French financial markets authority), i.e. 16 March 2001, and ends 99 years later unless the Fund is wound up prior to this or extended as provided for in these rules.

The Fund reserves the right to combine or divide units.

The units can be divided, if so decided by the management company, into 100 thousandths of units known as 'fractional units'.

Rules pertaining to the issue and redemption of units shall be applicable to fractional units, whose value shall be proportional to that of the unit they represent. All other provisions relating to units apply to fractions of units without the need to stipulate this, unless indicated otherwise.

Finally, the management company's executive board may, at its sole discretion, divide units by creating new units and allocating them to unit-holders in exchange for old units.

ARTICLE 2 - MINIMUM AMOUNT OF ASSETS

Units cannot be redeemed if the Fund's assets fall below €300,000. If the Fund's assets remain below this amount for 30 days, the management company shall make the necessary provisions to liquidate the Fund or proceed with one of the measures mentioned in Article 411-16 of the AMF General Regulations (Fund transfers).

ARTICLE 3 - ISSUE AND REDEMPTION OF UNITS

Units will be issued at any time at the request of unit-holders on the basis of their net asset value plus, where appropriate, subscription fees.

Subscriptions and redemptions are carried out in accordance with the terms and procedures set out in the prospectus.

Fund units may be admitted to trading in accordance with the applicable regulations.

Subscriptions shall be fully paid up on the day the net asset value is calculated. Subscriptions shall be made in cash.

Redemptions will be carried out exclusively in cash, except when the Fund is liquidated and the unit-holders have agreed to be reimbursed in the form of securities. They will be paid by the depositary / registrar within five days after unit valuation. However, if under exceptional circumstances redemption requires the prior realisation of the Fund's assets, this period could be extended but may not exceed 30 days.

Except in the case of inheritance or an inter-vivos distribution, the disposal or transfer of units between unit-holders or from unit-holders to a third party is equivalent to a redemption followed by subscription. If a sale or transfer involves a third party the beneficiary shall, if necessary, supplement the amount of the transaction until the minimum subscription amount stipulated in the prospectus is reached.

Pursuant to article L.214-8-7 of the French Financial and Monetary Code (Code monétaire et financiers), the redemption of units by the Fund as well as the issue of new units may be suspended on a temporary basis by the management company in exceptional circumstances and if this is considered to be necessary to protect the interests of the unit-holders.

If the Fund's assets fall below the minimum regulatory requirement no units shall be redeemed.

The Fund may be subject to minimum subscription requirements, as indicated in the prospectus.

Pursuant to article L.214-8-7 of the French Financial and Monetary Code (Code monétaire et financiers), the redemption of units by the Fund as well as the issue of new units may be suspended on a temporary basis by the management company in exceptional circumstances and if this is considered to be necessary to protect the interests of the unit-holders. If the Fund's assets fall below the minimum regulatory requirement no units shall be redeemed.

ARTICLE 4 - CALCULATION OF NET ASSET VALUE

The net asset value of the units shall be calculated in accordance with the valuation rules indicated in the Detailed Memorandum.

SECTION 2

FUND OPERATION

ARTICLE 5 - THE MANAGEMENT COMPANY: LYXOR INTERNATIONAL ASSET MANAGEMENT

The Fund is managed by the management company in accordance with the Fund's strategy.

The management company shall act on behalf of unit-holders under all circumstances and shall alone exercise any voting rights attached to the securities in the Fund's portfolio.

ARTICLE 5a - OPERATING RULES

The Fund's prospectus describes the securities and deposits in which the Fund may invest and its investment rules..

ARTICLE 6 - THE DEPOSITARY

The depositary is responsible for the tasks incumbent upon it under the applicable laws and regulations, and for its contractual obligations to the management company. It must, in particular, ensure that the management company's decisions are lawful. The depositary shall take any protective measures it deems necessary. In the event of a dispute with the management company, it shall inform the AMF.

ARTICLE 7 - AUDITOR

A statutory auditor is appointed by the management company's executive board for a term of six financial years after approval from the Autorité des Marchés Financiers.

The auditor shall certify that accounts are true and fair.

The auditor may be reappointed.

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

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

Assessments of the assets and the determination of exchange parities during transformation, merger or demerger operations are carried out under the auditor's control.

The auditor shall be responsible for the valuation of all contributions in kind.

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

The auditor's fees shall be agreed with the management company's management board on the basis of the estimated work schedule.

The auditor certifies the financial statements serving as the basis for the payment of interim dividends.

The auditor fees shall be included in the management fees.

ARTICLE 8 - FINANCIAL STATEMENTS AND MANAGEMENT REPORT

At the close of each fiscal year, the management company shall draw up the financial statements and a report on the Fund's management for the year.

At least once every six months the management company will prepare an inventory of the Fund's assets under the depositary's supervision.

The management company shall keep these documents available to unit-holders for four months after the end of the fiscal year and inform them of the income to which they are entitled: These documents shall be dispatched by mail at the express request of unit-holders or made available to them at the management company's premises.

SECTION 3

ALLOCATION OF DISTRIBUTABLE AMOUNTS

ARTICLE 9 - ALLOCATION OF INCOME AND CAPITAL GAINS

The net income for the year is equal to the amount of interest, arrears, dividends, premiums, bonuses and directors' fees, as well as all income relating to securities that constitute the Fund's portfolio, plus income from temporary cash holdings, less management fees and borrowing costs.

Distributable amounts consist of the following:

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

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

The Fund may select either of the following three distribution options for each class of Fund unit:

Pure accumulation — All distributable amounts will be entirely reinvested

Pure distribution — All distributable amounts will be distributed to the closest rounded-off figure and interim dividends may be distributed.

Accumulation and/or Distribution — The management company decides how the distributable amounts are to be allocated each year. It may decide, during the year, to pay out one or more interim dividends up to the limit of the distributable amounts recognized when such dividends are decided. Any remaining distributable amounts are reinvested.

The allocation of the distributable amounts is described in detail in the prospectus.

SECTION 4

MERGER - DEMERGER - DISSOLUTION - LIQUIDATION

ARTICLE 10 - MERGER - DEMERGER

The Management Company may transfer all or part of the Fund's assets to another UCITS or split the Fund into two or more other FCP funds.

Such mergers or demergers may only be carried out after unit-holders have been notified. A new certificate indicating the number of units held by each unit-holder will be issued for this purpose.

ARTICLE 11 - DISSOLUTION - EXTENSION

- If the Fund's assets remain below the level set out in Article 2 above for 30 days, the management company will duly inform the Autorité des Marchés Financiers and dissolve the Fund, unless it is merged with another fund.

- The management company may dissolve the Fund before it reaches its term. In this case it must inform the unit-holders of its decision and after this date shall not accept subscription or redemption orders.

- The management company shall also dissolve the Fund if the redemption of all units has been requested, if the depositary's appointment is terminated and no other depositary has been appointed or upon expiry of the Fund's term, if it has not been extended.

The management company shall inform the AMF by mail of the planned dissolution date and procedure and then send the AMF the auditor's report.

The decision to extend the Fund's term may be made by the management company with the depositary's approval. It must make this decision at least three months before the Fund's term is to expire and inform unit-holders and the AMF of this decision.

ARTICLE 12 - LIQUIDATION

In the event of dissolution, the management company or the depositary will assume the role of liquidator; or if this is not possible a liquidator will be appointed by the court at the request of any interested party. In such an event, they shall be entrusted with full powers to realize assets, pay off any creditors and distribute the remaining balance among the unit-holders in the form of cash or securities.

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

SECTION 5

DISPUTES

ARTICLE 13 - COMPETENT COURTS - JURISDICTION

Any disputes concerning the Fund that may arise during its lifetime or upon its liquidation, either between the unit-holders or between the unit-holders and the management company or the depositary, shall be subject to the jurisdiction of the competent courts