

Lyxor CAC 40 (DR) UCITS ETF
PROSPECTUS

GENERAL CHARACTERISTICS**FUND TYPE**

Fonds Commun de Placement (FCP) (a French mutual fund)

NAME

Lyxor CAC 40 (DR) UCITS ETF (hereinafter the “**Fund**”).

LEGAL FORM AND MEMBER STATE IN WHICH THE FUND WAS CREATED

A French FCP fund established in France.

INCEPTION DATE AND INTENDED LIFETIME

This Fund was approved by the *Autorité des Marchés Financiers* (French Financial Markets Authority) on December 1, 2000. It was created on December 13, 2000 for a period of 99 years.

KEY INFORMATION

Units	ISIN code	Allocation of distributable amounts	Currency	Eligible investors	Listing markets	Minimum subscription/ redemption amount (primary market) and purchase/sale amount (secondary market)
Dist.	FR0007052782	Accumulation and/or Distribution	EUR	Dist. units are available to all investors	NYSE Euronext Paris (France), London Stock Exchange	EUR 100,000 on the primary market
						None on the secondary market ⁽¹⁾
J-EUR	FR0011122233	Accumulation and/or Distribution	EUR	J-EUR units are available to all investors, but are more specifically intended for institutional investors	N/A	EUR 100,000 on the primary market
						None on the secondary market ⁽¹⁾

⁽¹⁾ No minimum purchase/sale is required other than that which may be required by the listing market in question.

WHERE TO OBTAIN THE MOST RECENT ANNUAL AND PERIODIC REPORTS

The most recent annual report and the breakdown of assets will be sent out within eight business days upon receipt of a written request submitted by investors to:

LYXOR INTERNATIONAL ASSET MANAGEMENT,
17, cours Valmy - 92987 Paris La Défense CEDEX – France
e-mail: contact@lyxor.com.

Requests for information can also be submitted via the www.lyxoretf.com website.

SERVICE PROVIDERS

MANAGEMENT COMPANY

LYXOR INTERNATIONAL ASSET MANAGEMENT.

A simplified joint-stock company (SAS).

Registered office: 17, cours Valmy - 92987 Paris La Défense CEDEX – France.

Postal address: Société Générale Tower – A08 – 17, Cours Valmy - 92987 Paris-La Défense Cedex – FRANCE.

REMUNERATION POLICY

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

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

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

Up-to-date information on the remuneration policy may be found on the Internet at <http://www.lyxor.com/en/the-company/policies-tax/>

DEPOSITARY & CUSTODIAN

THE DEPOSITARY

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

The Depositary's duties and potential conflicts of interest

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

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

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

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

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

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

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

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

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

of interest, determining and classifying remuneration and pecuniary and non-pecuniary benefits, and implementing a policy and measures that govern the acceptance of gifts and hospitality.

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

REGISTRAR AND TRANSFER AGENT

Registrar and transfer agent by delegation from Lyxor International Asset Management to:

SOCIETE GENERALE.

Credit institution created on 4 May 1864, date of the authorization decree signed by Napoleon III.

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

Postal address of the registrar:

32 rue du Champ de Tir - 44000 Nantes -France

AUDITOR

PRICEWATERHOUSECOOPERS AUDIT.

Public limited company ("*Société anonyme*").

Registered office: 63, rue de Villiers - 92208 Neuilly-sur-Seine – FRANCE.

Authorized signatory: Marie-Christine Jetil.

ADMINISTRATION AND ACCOUNTING

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

SOCIÉTÉ GÉNÉRALE.

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

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

The services provided by Société Générale to Lyxor International Asset Management consist of providing assistance with the Fund's administrative management and bookkeeping, and, more specifically, calculating net asset value, providing the information and supporting material needed to produce interim and annual reports and forwarding Banque de France statistics.

MARKET MAKER

As of the first day of listing, the following financial institution (the "**Market Maker**") was responsible for making a market in the Fund's units:

Société Générale - Tour Société Générale, 17 Cours Valmy, 92987 Paris-La Défense, France.

MANAGEMENT AND OPERATIONS: GENERAL CHARACTERISTICS

UNIT CHARACTERISTICS

The units are listed in a register in the name of the establishments holding accounts for subscribers on their behalf. The register is kept by the Depositary. Each unit-holder has a co-ownership right to the Fund's net assets proportional to the number of units held. The units do not bear any voting rights as decisions are made by the management company. The units are bearer units and will not be divided into fractional units.

LISTING OF THE FUND'S UNITS ON A REGULATED MARKET

- If the Fund's 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 CAC 40 GROSS TOTAL RETURN index.

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% above or below, to comply with the reservation thresholds of NYSE Euronext's Paris exchange (see "Indicative Net Asset Value" section).

- 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 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 Paris in July.

First balance sheet date: the last business day in Paris in July 2001.

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 is eligible for French equity savings (PEA) 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.

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

INFORMATION ON THE AUTOMATIC AND COMPULSORY EXCHANGE OF TAX INFORMATION

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

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

INFORMATION CONCERNING THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

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

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

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

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

MANAGEMENT AND OPERATIONS: SPECIFIC CHARACTERISTICS

ISIN CODES

Dist unit class: FR0007052782
J-EUR unit class: FR0011122233

CLASSIFICATION

French equities.
At least 60% of the Fund's assets will be continuously exposed to the French equities market.

The Fund is a UCITS ETF type index tracker.

INVESTMENT OBJECTIVE

The Fund's investment objective is to replicate the performance of the CAC 40 GROSS TOTAL RETURN index (the "**Benchmark Index**"), while minimizing the tracking error between the Fund's performance and that of the CAC 40 GROSS TOTAL RETURN index.

The expected ex-post tracking error under normal market conditions is **0.05%**.

BENCHMARK INDEX

The Benchmark Index is the CAC 40 GROSS TOTAL RETURN index (gross dividends reinvested), denominated in euros.

The Benchmark Index is weighted by market capitalization and adjusted for free float. It measures the performance of 40 of the largest stocks traded on the NYSE - Euronext Paris exchange.

The eligible securities are chosen for their high market capitalization, sector representativeness and high trading volume.

The Benchmark Index is the main benchmark for the Paris stock market and its share prices are highly correlated with the overall market.

A full description of the Benchmark Index and its construction methodology and information on the composition and respective weightings of the Benchmark Index components are available on the website.

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

BENCHMARK INDEX COMPOSITION AND REVISION

The Benchmark Index is revised quarterly.

The exact composition of the Benchmark Index and NYSE Euronext's rules for revising its composition are available at <https://indices.nyx.com/>.

The frequency of the aforementioned rebalancing does not affect the cost of implementing the Investment Strategy.

BENCHMARK INDEX PUBLICATION

The Benchmark Index is calculated daily at the official closing price of the exchanges where the index constituents are listed.

The Benchmark Index is also calculated in real time every business day that the Benchmark Index is published.

The Benchmark Index is available in real time via Reuters and Bloomberg.

Via Reuters: PX1GR

Via Bloomberg: CACR

The Benchmark Index's closing price is available at: <https://indices.nyx.com/>

In compliance with EU Regulation 2016/1011, the management company has a benchmark index tracking plan which it uses pursuant to this Regulation.

Nyse-Euronext is the administrator of the Benchmark Index. In compliance with EU Regulation 2016/1011, the administrator must apply for approval/register with the relevant supervisory authority by January 1, 2020.

INVESTMENT STRATEGY

1. Strategy employed

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

To achieve the highest possible correlation with the performance of the Benchmark Index, the Fund will employ a direct replication method, which means that it will mainly invest in a basket of balance sheet assets consisting of the securities that underlie the Benchmark Index

The Fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French Monetary and Financial Code and in particular temporarily dispose of securities subject to the requirements explained below.

On an ancillary basis, and once again to ensure the highest possible correlation with the performance of the Benchmark Index, the Fund may also enter into contracts involving derivative financial instruments ("DFI"). Such contracts for this purpose may involve index futures and/or swaps to hedge risk and in particular to minimize the Fund's tracking error.

To ensure transparency as to the direct replication method used (i.e. full replication of the Benchmark Index) and as to the consequences of this method on the Fund's assets, investors may find regularly updated information on the basket of balance sheet assets held in the Fund's portfolio on the page dedicated to the Fund at www.lyxoretf.com. The frequency of any updates and/or the date on which the aforementioned information is updated are also indicated on this page.

In managing its exposure, up to 20% of the Fund's assets may be exposed to equities from the same issuing entity. This 20% limit will be checked on each rebalancing date for the Benchmark Index, by applying the method for calculating the Benchmark Index which limits exposure to the equities of the same issuing entity to 20% and where the calculation is carried out by the sponsor or agent for calculating the Benchmark Index. This 20% limit may be increased to 35% for a given issuing entity when this is shown to be justified by exceptional market conditions, in particular when certain securities are largely dominant and/or in the event of strong volatility affecting a financial instrument or securities linked to an economic

sector represented in the Benchmark Index, such as in the event of a public offering that substantially affects a Benchmark Index security or of a significant decrease in the liquidity of one or more of the Benchmark Index's financial instruments.

2. Balance sheet assets (excluding embedded derivatives)

The Fund may hold financial instruments of any kind, in compliance with regulatory ratios. The Fund will be invested mainly in the equities that make up the Benchmark Index.

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

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

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

3. Off-balance sheet assets (derivatives)

On an ancillary basis, and once again to ensure the highest possible correlation with the performance of the Benchmark Index, the Fund may also enter into contracts involving derivative financial instruments ("DFI"). Such contracts for this purpose may involve index futures and/or swaps to hedge risk and in particular to minimize the Fund's tracking error.

In the event that over-the-counter derivative financial instruments are used, and 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 the hedging instruments, as used in accordance with the Fund's investment strategy. Accordingly, all or some of these derivative financial instruments may be transacted with Société Générale without having to seek a competitive bid from another counterparty.

4. Securities with embedded 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 depository/custodian;

6. Cash borrowing

The Fund may temporarily borrow up to 10% of its net assets.

7. Temporary acquisitions and disposals of securities

The Fund may use various techniques to manage its portfolio efficiently in compliance with Article R214-18 of the French Monetary and Financial Code and may in particular temporarily dispose of securities.

Maximum proportion of assets under management for which securities financing transactions may be entered into: 25% of the Fund's assets.
Expected proportion of assets under management for which securities financing transactions may be entered into: 10% of the Fund's assets.

For this purpose, the management company will appoint Société Générale as intermediary (hereinafter the "Agent"), to provide the following services in connection with the Fund's temporary disposals of securities. If such an Agent is used, it may be authorized to (i) engage in, on the Fund's behalf, transactions involving the lending of securities, pursuant to one or more internationally recognized master securities lending agreements, such as the Global Master Securities Lending Agreements (GMSLA), and (ii) invest, on the Fund's behalf, the liquid assets received as collateral for these securities lending transactions, in accordance with and within the limits of the securities lending agreement, the rules of this prospectus and the applicable regulations.

Please note that the management company belongs to the Société Générale Group and is therefore related to the Agent.

The Fund will be entitled to all income from such temporary disposals of securities, net of the direct and indirect operating costs/expenses of these transactions.

These operating costs/expenses, which are incurred to ensure efficient portfolio management, are borne by the Fund's management company, by the Agent and/or by the other intermediaries involved in these transactions in connection with their services.

These direct and indirect operating costs/expenses will be calculated as a percentage of the Fund's gross income. The Fund's annual report provides information on these direct and indirect operating costs/expenses and on the entities to whom these costs are paid.

The Fund will be entitled to receive all income from securities lending transactions less the direct and indirect operating costs/expenses borne by the Agent and, if applicable, by the management company. Since these direct and indirect costs do not increase the Fund's overall operating costs/expenses they are not included in its ongoing charges.

When applicable, the Fund's annual report will provide the following information:

- the risk exposure resulting from the use of efficient portfolio management techniques
- the identity of the counterparty(ies) of these efficient portfolio management techniques
- the type and amount of collateral received by the Fund to reduce counterparty risk
- the total income from the use of efficient portfolio management techniques over the relevant period and the associated direct and indirect operating costs/expenses.

8. Collateral

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

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

Any collateral the Fund receives for this purpose must comply with the applicable laws and regulations, particularly with respect to such criteria as liquidity, valuation, issuer credit-worthiness, correlation and collateral management and enforceability risks. The collateral received must in particular meet the following criteria:

- (a) all non-cash collateral received must of very high quality, be highly liquid and tradable on a regulated exchange or multilateral trading facility with transparent pricing to enable rapid sale at a price near the initial valuation price
- (b) this collateral must be valued at its mark-to-market price at least daily and exclude assets with volatile prices unless a significantly prudent discount is applied
- (c) it must be issued by an entity that is independent from the counterparty and must not be closely correlated with the counterparty's financial performance
- (d) it must be sufficiently diversified by country, market and issuer with exposure for a given issuer not exceeding 20% of the Fund's net asset value
- (e) it must be immediately pledgeable by the Fund's management company without informing the counterparty and without its approval.

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

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

In accordance with the above conditions, the collateral received by the Fund may include:

- (i) liquid assets, which include, for example, cash, short-term bank balances and money-market instruments
- (ii) bonds issued or guaranteed by an OECD member state, a local authority or a communal, regional or global supranational institution, or by any other country provided that the criteria from (a) to (e) above inclusive are fully complied with
- (iii) the shares or units of money-market funds that calculate a daily net asset value and have an AAA or equivalent rating
- (iv) the shares or units of investment funds that invest mainly in the equities or bonds indicated below in points (v) and (vi)
- (v) bonds issued or guaranteed by high-quality issuers that offer sufficient liquidity
- (vi) equities admitted for listing on or traded on a regulated exchange of an EU member country or on the stock exchange of an OECD member country or of another country provided that the above criteria from (a) to (e) above inclusive are fully complied with and that the equities are listed on a leading stock market index.

Discount policy

The Fund's management company will apply a discount/haircut to the collateral the Fund receives for lending or otherwise temporarily disposing of its securities. Such discounts shall depend on the following criteria:

- Type of collateral received
- Maturity of this collateral (if applicable)
- Credit rating of the collateral issuer (if applicable)

An additional discount may be applied to collateral received in a non-euro currency.

Reinvestment of collateral

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

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

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

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

COUNTERPARTY SELECTION POLICY

In accordance with terms and conditions of the agreement entered into with the Agent (see section 7 "Temporary acquisitions and disposals of securities") the Management Company establishes and sends Société Générale a list of eligible counterparties for temporary disposal transactions by applying the selection criteria defined below.

The Management Company observes a policy for selecting financial counterparties and intermediaries when entering into financial agreements (temporary acquisitions and disposals of securities and derivatives) and other transactions on behalf of the Fund. The selection of counterparties for temporary acquisitions and disposals of securities and of financial intermediaries is carried out rigorously among reputable market intermediaries on the basis of several criteria related to the provision of research services (fundamental financial analysis, information on companies, added value of the parties involved, soundness of recommendations, etc.) or execution services (access to and information on the markets, transaction costs, execution prices, smooth settlement of transactions, etc.).

Only financial institutions established in an OECD country and which, after analysis, are deemed to be satisfactory are eligible for selection. This analysis is conducted using criteria that are specific to the Management Company's Risk Department, which include financial stability, credit rating, risk exposure, credit spread, economic sector, and credit history.

The list of authorized counterparties is reviewed monthly or more frequently in the event of market turmoil. This review involves all of the Management Company's relevant departments, including Asset Management, Risk, Operations and Support Services. The counterparties and financial intermediaries selected are regularly monitored pursuant to the Management Company's Execution Policy. All incidents are subject to an escalation procedure for reporting to the Management Company's senior management and/or to the Société Générale Group's Risk department.

RISK PROFILE

Investors' money will be invested mainly in the financial instruments that are constituents of the Benchmark Index 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. Equities are more volatile than fixed income markets where it is possible to estimate revenues for a certain period of time under the same macroeconomic conditions.

- Capital risk

The capital invested is not guaranteed. Investors therefore may not recover all or part of their initial investment, particularly if the benchmark index posts a negative return over the investment period.

- Liquidity risk (primary market)

The Fund's liquidity and/or value may be negatively affected if, when the Fund or possibly a counterparty to an DFI is rebalancing its exposure, the markets linked to this exposure are limited, closed, or subject to wide bid/offer spreads. An inability, due to low trading volume, to execute the trades required to replicate the Benchmark Index may also adversely affect the subscription, conversion or redemption of shares or units.

- Liquidity risk (secondary market)

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

- i) the calculation of the Benchmark Index is suspended or stopped
- ii) the market(s) in the Benchmark Index's underlying assets is (are) suspended, and/or
- iii) a stock exchange cannot obtain or calculate the indicative net asset value and/or
- 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 may use DFI on an ancillary basis.

This will expose the Fund to the risk of bankruptcy, settlement default or any other type of default by the counterparty to the contract or transaction. The Fund would in particular be exposed to counterparty risk when DFI are traded over the counter. In compliance with UCITS guidelines, counterparty risk cannot exceed 10% of the Fund's total assets per counterparty.

When Société Générale is a counterparty to an DFI and/or a transaction involving the temporary disposal of securities, a conflict of interests may arise between the Fund's Management Company and Société Générale. The Management Company has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary

- Risk of conflicts of interests

The main potential conflicts of interests would be selecting a counterparty for a reason that is inconsistent with the Fund's interests or failing to provide the same quality of asset management for equivalent portfolios. Where Société Générale acts as the DFI counterparty, conflicts of interests may arise between the Fund's Management Company and the DFI counterparty. The Management Company has procedures to identify and reduce such conflicts of interest and to resolve them equitably if necessary.

- Risk associated with the use of efficient portfolio management techniques

In the event that the counterparty to the efficient portfolio management technique (hereinafter "EPMT") handled by the Fund defaults, the Fund could bear a risk in the event that the value of the guarantees received by the Fund is lower than the value of the assets of the Fund transferred to the counterparty under the relevant EPMT. This risk could arise, for example, in the event of (i) an inaccurate valuation of the securities lent and/or (ii) unfavorable market movements and/or (iii) the lowering of the credit rating(s) of the issuer(s) of securities taken as collateral and/or (iv) the illiquidity of the market in which the collateral received is listed. Investors should note that (i) EPMTs may be defined with Société Générale (an entity belonging to the same group as the Management Company) and/or (ii) Société Générale may be designated an agent of the Fund as part of the EPMTs. The Management Company has procedures to identify and mitigate conflicts of interests that may arise from intra-group transactions and to resolve them equitably if necessary.

- Collateral management risk

The counterparty risk associated with investments in derivative financial instruments (including TRS), with the lending and borrowing of securities, and with repurchase and reverse repurchase agreements is generally limited by the provision of collateral or a guarantee on behalf of the Fund.

If a counterparty defaults, the Fund may be forced to sell the collateral received at the prevailing market price, and therefore possibly at a loss. The Fund may also suffer a loss when reinvesting cash collateral (if this is allowed) if the value of the investment or investments declines.

- Risk that the investment objective is not fully achieved

There is no guarantee that the investment objective will be achieved, since there is no asset or financial instrument that enables continuous and automatic replication of the benchmark index, particularly if one or more of the following risks occurs.

- 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 affect the tax treatment of the Fund. In such an event, a discrepancy between the estimated taxation and the actual taxation of the Fund (and/or of an DFI counterparty of the Fund), could decrease 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 Benchmark Index disruption persists, the manager of the Fund will determine the appropriate measures to be carried out, which could have an impact on the net asset value of the Fund.

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.

- 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 derivative financial 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.

- Risk of using derivative financial instruments

In order to achieve its investment objective and secure the performance of the Benchmark Index, the Fund can enter into over-the-counter DFI, such as swaps: These DFI involve various risks, such as counterparty risk, hedging disruption, Benchmark Index disruption, taxation risk, regulatory risk, operational risk and liquidity risk. These risks can materially affect an DFI and could lead to an adjustment or even the early termination of the DFI transaction, which could adversely affect the Fund's net asset value.

- Operational risk

Operational risk is the risk of a direct or indirect loss resulting from various factors (e.g. human error, fraud, malice, IT system failure and/or an external event), which could adversely affect the Fund and/or investors. The Management Company implements various controls and procedures to mitigate operational risk.

- Legal risk

The Fund may be exposed to a legal risk arising from securities financing transactions as indicated in EU Regulation No. 2015/2365

ELIGIBLE INVESTORS AND TYPICAL INVESTOR PROFILE

Dist units are available to all investors.

J-EUR units are available to all investors, but are more specifically intended for institutional investors.

Investors in this Fund seek exposure to French 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 at present and for the next five years, and their willingness to take on risk or adopt a more cautious approach. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to this 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.

UNIT CURRENCIES

Currency	Dist	J-EUR
	Euro	Euro

CALCULATION AND ALLOCATION OF DISTRIBUTABLE AMOUNTS

Dist unit class: The management company reserves the right to distribute all or part of the income each year in one or more distributions and/or accumulate this income. Realized net capital gains will be accumulated.

J-EUR unit class: the management company reserves the right to distribute all or part of the income each year in one or more distributions and/or accumulate this income.

DISTRIBUTION FREQUENCY

The management company may distribute all or part of the distributable income each year in one or more 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 PROCEDURES

1. SUBSCRIPTION AND REDEMPTION ON THE PRIMARY MARKET

Subscription/redemption requests for units in the Fund will be processed by the Depositary from 10:00am to 5:00 pm (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 that Primary Market Day, hereinafter the "**reference NAV**". Subscription/redemption requests submitted after 5:00 pm (Paris time) on a Primary Market Day will be processed as if received from 10:00 am to 5:00 pm (Paris time) on the following Primary Market Day. Orders to purchase or redeem units in the Fund must be made for a whole number of units that represents a minimum amount of at least 100,000 euros.

Subscriptions/redemptions in cash:

Subscriptions and redemptions shall be made exclusively in cash and executed at the ref NAV.

Delivery and settlement

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

Date and frequency of net asset value calculation

The net asset value will be calculated and published on each Trading Day (as defined hereinafter) when any of the markets on which the Fund's units are listed is open, provided that it is possible to fund orders placed in the primary or secondary markets.

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

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).

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 units on a secondary market through an intermediary (e.g. a broker) and may consequently incur costs. Furthermore, investors may have to pay more than the current net asset value when they buy units and receive less than the current net asset value when they sell them.

If the stock market value of the Fund's units differs significantly from its indicative net asset value, or if the listing of the Fund's units is suspended, investors may be authorized, subject to the conditions set out below, to redeem their units on the primary market directly from the Fund, without being subject to the minimum redemption amount requirement specified 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 Fund's units 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. SPECIFIC 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 Market Maker:

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 significant presence in the market, which initially entails the setting of a bid/ask spread 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 spread of 2% between the bid and ask price in the centralized order book.
- a minimum nominal bid/ask 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
- The Market Maker's obligations will be suspended if trading is substantially disrupted, for example due to a widespread shift in prices or an event that makes normal market making impossible.

Indicative net asset value

Euronext Paris SA will calculate and publish for each Trading Day (as defined below), the Fund's indicative net asset value (hereinafter the "iNAV") during trading hours). 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 shares or 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 provided by Reuters.

The share prices of the stocks included in the Benchmark Index used to calculate the level of the Benchmark Index, and therefore to evaluate the iNAV, are provided to Reuters by the stock exchanges on which the Benchmark Index constituents are traded.

If one or more stock exchanges on which the Benchmark Index's constituent equities are listed are closed (on a public holiday as indicated on the TARGET calendar) and if the calculation of the iNAV proves impossible, 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 each Trading Day.

Additional information about the indicative net asset value of a unit listed on a regulated market may, depending on the terms and limits set by the relevant market undertaking, be provided on the website of the exchange where the unit is listed. This information is also available on the Reuters or Bloomberg pages dedicated to the particular share. Additional information about Bloomberg and Reuters codes corresponding to the indicative net asset value of UCITS ETF type units is also available in the "Term Sheets" section of the Lyxor's website at www.lyxoretf.com.

b) 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)

Subscription and redemption fees increase the subscription price paid by investors and reduce the redemption price. 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 request 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	Up to 0.50%
Redemption fee not kept by the Fund	NAV per unit × Number of units	The higher value of either EUR 50,000 per redemption request 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	Up to 0.02%

(1) The management company adjusts these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio, for example when subscription and redemption orders are placed at the same net asset value or when an order is large enough to enable the manager to reduce execution costs.

OPERATIONAL AND MANAGEMENT FEES

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

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

- performance fee, which the Fund pays to the management company when the Fund exceeds its objectives;
- turnover fees charged to the Fund;
- direct and indirect operational costs/expenses related to temporary acquisitions and disposals of securities.

For further information on the fees that are charged to the Fund, see the Statistics section of the Key Investor Information Document (KIID).

Fees charged to the Fund	Base	Maximum charge
Investment management fees and administration fees that are external to the management company (auditor, depositary, fund distribution and legal fees) including tax ⁽¹⁾	Net asset value	0.25% p.a.
Performance fee	Net asset value	N/A
Turnover fee	Charged on each transaction	N/A
Direct and indirect operational costs/expenses related to temporary acquisitions and disposals of securities	Amount of revenue generated by the transaction	20% max. for the Management Company 15% max. for the Agent

⁽¹⁾ includes all fees except transaction fees, performance fees and fees relating to investments in UCITS.

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. Each investor is therefore responsible for ensuring that he or she is authorized to subscribe to or invest in this Fund. As a result, the information contained in this prospectus cannot be understood as constituting an offer or solicitation to buy or sell units in the Fund in a country where such offer or solicitation is unlawful.

The Fund's unit classes will not be registered pursuant to the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and cannot be offered, assigned, transferred or allocated to the United States of America, or to any "U.S. Person", as this term is defined under Regulation S of the US Securities Act of 1933. The Fund's units will not be offered to U.S. Persons.

The Fund's unit classes will only be offered for sale outside of the United States of America to non-U.S. Persons).

For the purpose of this document, the term "U.S. Person" shall mean, among other things, any individual who resides in the United States of America, any entity organized or formed under the laws of the United States of America, certain entities organized or formed outside of the United States of America by one or more U.S. persons, or any account held on behalf of such a U.S. person.

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

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 registered office of Lyxor International Asset Management, 17, Cours Valmy - 92800 Puteaux - France.
The Fund's net asset value will be calculated and published each Trading Day.

IMPORTANT INFORMATION CONCERNING THE BENCHMARK INDEX PROVIDER

Lyxor CAC 40 (DR) UCITS ETF is in no way sponsored, endorsed, sold or promoted by NYSE Euronext or its subsidiaries (hereinafter referred to as "Euronext") (collectively designated as the "Licensors").

The Licensors assume no obligation and provide no warranty, expressed or implied, in respect of the results that may be obtained from using the CAC 40 GROSS TOTAL RETURN index (hereinafter "the index") and/or the level of said Index at any given time or day, or of any other type. The Index is calculated by or on behalf of Euronext. The Licensors shall not be liable to anyone (whether on the grounds of negligence or for any other reason) for any error that affects the Index and shall not be obliged to inform anyone of such an error.

ADDITIONAL INFORMATION

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

Subscription and redemption orders are sent by investors' financial intermediaries (members of Euroclear France SA) to the Depositary.

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: 07/08/2018.

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 Management Company's policy for exercising the voting rights attached to the securities held by the Fund and its report on the exercise of these voting rights are available in the Corporate Social Responsibility section of the Management Company's website at: <http://www.lyxor.com> under the "Socially responsible investment" section.

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

The AMF's website (www.amf-france.org) contains additional information on the list of regulatory documents and all the provisions relating to investor protection. This Prospectus must be made available to investors prior to subscription.

INVESTMENT RULES

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

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

Notwithstanding the 10% limit under Paragraph II of Article R214-21 of the French Monetary and Financial Code, the 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. 2014-01 of January 14, 2014 of the *Comité de la Réglementation Comptable* (the French Accounting Regulations Committee), which applies to the chart of accounts for UCITS investment funds.

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

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

- Negotiable debt securities ("NDS") with a remaining life upon acquisition that is less than or equal to three months are valued by applying the difference between the acquisition value and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life of more than three months upon acquisition but less than or equal to three months at the net asset value calculation date are valued by applying the difference between the most recent valuation and the redemption value on a straight-line basis over the remaining life. However, the management company reserves the right to value these securities at their current value if it deems that they are particularly exposed to market risks (interest rates, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- NDS with a remaining life at the net asset value calculation date that exceeds three months are valued at their current value. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.
- Financial futures traded on 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 acquisitions 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 currencies other than the Fund's reference currency are the exchange rates provided by WM Reuters on the day on which the Fund's net asset value is calculated.

B. ACCOUNTING METHOD FOR TRADING FEES

Trading fees are included in the initial cost of the related transaction.

C. ACCOUNTING METHOD: 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 UNITS**

Co-ownership rights are represented by units, each of which represents the same percentage of the Fund's assets. Each unit-holder has a co-ownership right to the Fund's assets that is proportional to the number of units held.

The Fund's term begins on the date it is approved by the *Autorité des Marchés Financiers* 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's chairman, into 100 thousandths known as unit fractions.

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 chairman may, at its sole discretion, carry out the division of units through the creation of new units that are allocated 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 are 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 and shall be paid in cash.

Redemptions are made exclusively in cash, except when the Fund is liquidated and the unit-holders have agreed to be reimbursed in securities. They will be paid by the depositary / registrar within five days after unit valuation.

However, if under exceptional circumstances redemption requires the prior realization 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 *Code Monétaire et Financier*, the French Financial and Monetary Code, 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 deemed 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 prospectus.

SECTION 2

FUND OPERATION

ARTICLE 5 – THE MANAGEMENT COMPANY

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 is the only party able to exercise voting rights attached to securities in the Fund's portfolio.

ARTICLE 5A – OPERATING RULES

The Fund's prospectus describes the instruments and deposits eligible for inclusion in the Fund's assets and the Fund's investment rules.

ARTICLE 5B – LISTING ON A REGULATED MARKET AND/OR A MULTI-LATERAL TRADING FACILITY

The units may be listed for trading on a regulated market and/or a multi-lateral trading facility, in compliance with applicable regulations. If the Fund's units are listed on a regulated market and it has an index-based investment objective, it must implement a means to ensure that the market price of its units does not deviate substantially from its net asset value.

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 decisions taken by the asset management company 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 chairman for a term of six financial years after approval from the *Autorité des Marchés Financiers*.

The auditor certifies the accuracy and sincerity of the financial statements.

The auditor may be reappointed.

The auditor shall inform the *Autorité des Marchés Financiers* 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.

Any assessment of fund assets or determination of exchange ratios for the purpose of fund transformation, merger or demerger shall be 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 chairman 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 shall 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° Net income plus retained earnings and plus/minus the balance of the income adjustment account;

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 Fund unit class:

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.

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 shall duly inform the *Autorité des Marchés Financiers* and shall dissolve the Fund, except in the event of a merger 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, with its approval, 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 complete.

SECTION 5

DISPUTES

ARTICLE 13 - COMPETENT COURTS - JURISDICTION

Any disputes relating to the Fund that may arise during the operation of the Fund or upon its liquidation, either among unit-holders or between unit-holders and the management company or the custodian, are subject to the jurisdiction of the competent courts.

ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

1. Société Générale S.A. Frankfurt branch, Neue Mainzer Straße 46-50 – 60311 Frankfurt am Main assumes the function of the German Paying- and Information Agent ("the German Paying and Information Agent") in the Federal Republic of Germany.
2. Redemption and exchange requests for the shares can be submitted at the German Paying- and Information Agent. Upon request, the redemption proceeds, distributions or other payments, if any, to the shareholder are paid in Euro via the German Paying- and Information Agent.
3. The current prospectus, the Key Investor Information Document (KIID), the Articles of Association of the Company as well as the semi-annual and annual report may be inspected at and can be received free of charge at the German Paying- and Information Agent by mail or by e-mail.

Further shareholder information, if any, is available at the German Paying- and Information Agent and will be published on the website www.lyxoretf.de.

4. The net asset value per share of the share classes of the fund and the purchase, exchange and redemption prices are available at the German Paying- and Information Agent on every banking business day in Frankfurt. Furthermore, the purchase and redemption prices of the share classes of sub-funds together with the interim profit and the aggregate amount of income deemed to be received by the holder for the foreign investment units after 31 December 1993, are published on the website www.lyxoretf.de.
5. In addition to a publication on the website www.lyxoretf.de shareholders will be informed via shareholder letter about the following changes :
 - the suspension of redemption of the Sub-Fund's shares;
 - the termination of the management of a Sub-Fund or the liquidation thereof,
 - changes being made to the Memorandum and Articles of Association which are not in compliance with the existing investment principles or which affect material investor rights or which relate to fees and cost refunds that may be withdrawn from the Fund's assets;
 - the merger of the Fund; and, where applicable, the conversion of the Fund into a feeder fund

6. For a transparent and, thus, investor-favorable taxation of income of the Company in accordance with the German Investment Tax Act (Investmentsteuergesetz, InvStG) all bases of taxation within the meaning of Section 5 sub-section 1 InvStG must have been disclosed by the Company (so-called tax disclosure requirement). This also applies to the extent the Company has acquired units in other domestic investment funds and investment stock companies, EC investment units and foreign investment units, which do not qualify as EC investment units (target fund within the meaning of Section 10 InvStG) and they comply with the tax disclosure requirements.

The Management Company endeavours to disclose all bases of taxation available to it. However, it cannot be guaranteed that the required notification will be made. The Management Company cannot guarantee, in particular, that the required disclosure is made, if the Management Company acquires target funds that do not comply with the tax disclosure requirements incumbent on them.