

KEY INFORMATION FOR THE INVESTOR

This document provides essential information to investors in this fund. It is not a promotional document. The information that it contains is provided to you in accordance with a legal obligation in order to allow you to understand what an investment in this fund involves and what risks are associated with it. It is recommended that you read it in order to make an informed decision to invest or not.

LYXOR EUROMTS COVERED BOND AGGREGATE UCITS ETF (the "Fund")

ISIN: FR0010481127 - Collective investment scheme (FCP) domiciled in France.

Managed by Lyxor International Asset Management S.A.S. ("LIAM")

Investment objectives and policies

The investment objective is to track both the upward and the downward evolution of the FTSE MTS Covered Bond (Mid Price) Index (Bloomberg code: FMMPCOG5) (the "Benchmark Index"), which represents the euro-denominated corporate bond market.

The anticipated ex-post tracking error under normal market conditions is 0.02%.

The Fund intends to achieve its objective via indirect replication, that is, by concluding one or more OTC swaps (futures contract).

The Fund may invest in a diversified portfolio of international debt instruments, whose performance will be unchanged against that of the Benchmark Index via the futures contract. The current composition of the securities portfolio held by the Fund is available at www.lyxoretf.com.

The net asset value is also indicated on the Reuters and Bloomberg pages of the Fund and may also be stated on the websites of stock markets where the Fund is listed.

The unit currency is the euro (EUR).

- **Financial instrument investments:** international debt securities, financial futures, UCITS, and other financial instruments.
- **Recommended investment period:** this Fund may not be appropriate for investors who plan to withdraw their investment within a timeframe of less than 3 years.
- **Classification:** Bonds and other debt securities listed in euros.
- **Dividends policy:** the Fund's distributable funds shall be distributed to unit-holders and/or capitalised.
- **Net asset value:** daily providing the relevant stock markets are open and orders can be covered.
- **Redemptions:** investors may redeem their units on the primary market on every valuation day before 5 pm CET and sell their units on the secondary market at any time during trading hours on the exchanges where the Fund is listed.

Risk and return profile



The risk and return category given above is based on the historical performance of the fund's component assets or its benchmark. As such, this risk estimation cannot be a reliable indicator of future risk, and it could change over time. The lowest category does not mean a risk-free investment. The Fund has been classified in category 2. The Fund has been classified as category 2 given its exposure to the Benchmark Index. Category 2 indicates that loss of capital is possible, but very unlikely under normal market conditions.

The significant risks for the UCITS not taken into account in the above-mentioned indicator and which could result in a decrease in the Fund's net asset value and which the Fund is authorised to include in this document (see the Risk Profile section of the prospectus for more information concerning the risks):

- **Counterparty:** the Fund is exposed to the risk of bankruptcy or any other type of default by any counterparty with which it has concluded an agreement or transaction. In accordance with UCITS regulations, this risk may not exceed 10% of the Fund's total assets, for a given counterparty.
- **Risk linked to the use of futures:** in order to achieve its investment objective, the fund uses OTC-traded futures to reach the performance of the Benchmark Index. These futures may be affected by various types of risks such as amendments to the law and/or regulations, including tax regulations.
- **Credit risk:** If the quality of an issuer's credit changes (which could change the issuer's default risk and the value of the bonds in question), the Fund may be affected.

Costs

The fees you pay cover the Fund's management costs, including promotion and distribution costs. These fees are deducted from the potential performance of your investment.

For more information concerning costs, please refer to the Costs section of the Fund's prospectus, which is available at www.lyxoretf.com.

One-off fees deducted before or after investment	
Entry fees only applicable on the primary market:	At most, the highest between (i) €50,000 per subscription request and (ii) 5% of the net asset value per unit multiplied by the number of units subscribed.
Exit fees only applicable on the primary market:	At most, the highest between (i) €50,000 per redemption request and (ii) 5% of the net asset value per unit multiplied by the number of units redeemed.
On the primary market, the percentage given is the maximum that could be drawn on your capital before it is invested or before the income on your investment is distributed to you. In some cases the investor might pay less. The investor may ask his financial advisor or distributor for the exact amount of entry and exit fees. For investments made via a stock market where the Fund is listed, no entry/exit fees apply but brokerage fees may be applied.	
Fees deducted by the Fund over one year.	
Ongoing fees:	0.165 %.
This percentage is calculated based on the expenditures incurred for the financial year ended in October 2017 (including all taxes, where applicable) and may vary from one year to another. It does not include performance commissions or transaction fees, except in case of entry and/or exit fees, paid by the Fund when it buys or sells units or shares of another collective management vehicle.	
Fees deducted by the Fund under certain circumstances	
Performance commission:	None.

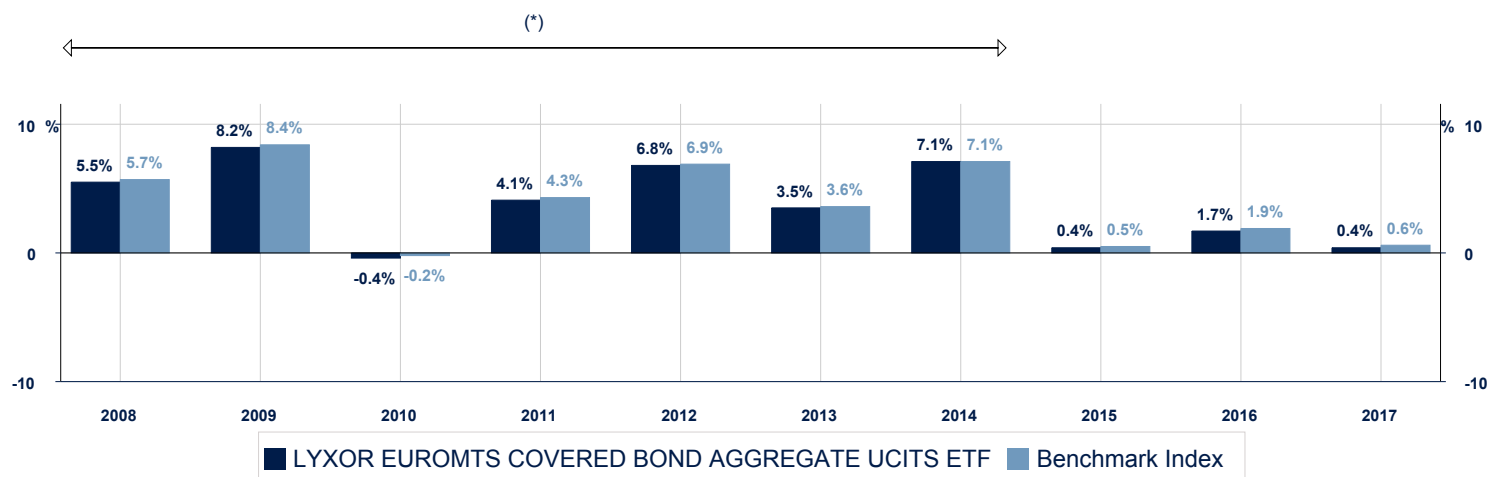
Past performances

Past performance of a mutual fund is not a reliable indicator of future performance.

Performance is indicated in Euros (EUR), net of all fees for which the Fund is responsible.

The Fund was created on 20 June 2007.

ANNUAL PERFORMANCE OF LYXOR EUROMTS COVERED BOND AGGREGATE UCITS ETF (in %)



(*) Until 14/11/2014, the Fund's Benchmark Index was the EuroMTS Covered Bond Aggregate index.

Practical information

- **Custodian:** Societe Generale.
- **Taxation:** investors may be affected by tax legislation applicable in the Member State where the fund is domiciled.
- **Additional information:** the prospectus, the net asset value and other information regarding unit classes (where applicable) are available at the following address: www.lyxoretf.com.

Details regarding the compensation policy may be consulted at: www.lyxor.com.

The Prospectus, the details of the remuneration policy and the latest annual and half-yearly reports of the Fund are available in English or French, free of charge and on request from LIAM, Client Services, 17, Cours Valmy, Tour Société Générale 92800 Puteaux, France.

LIAM may be held liable only on the basis of statements made in this document that are misleading, inaccurate or inconsistent with the relevant parts of the Fund's prospectus.

Both LIAM and the Fund are authorised in France and regulated by the AMF.

The key investor information is accurate and up to date as at 22 January 2018.