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 FTSE MIB DAILY LEVERAGED UCITS ETF (the "Fund")

ISIN: FR0010446658 - 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 downward evolution of the FTSE MIB Daily Leveraged RT Net-of-Tax (Lux) TR Index (Bloomberg code: FMIBL2X) ("Benchmark Index"), representative of a x2 leverage short position strategy with daily reset on the FTSE MIB® Index, with dividends reinvested, the main Italian stock market index ("Parent Index"). Daily reset implies that over a period of more than a business day, the overall performance of the Fund may not be equal to the double of the inverse performance of the FTSE MIB® index.

Specifically, over a period of one business day, any decline in the Parent Index will result in a more significant decline in the Fund's net asset value.

Conversely, over a period that is longer than one business day, the Fund's performance will not be equivalent to double the performance of the Parent Index, and may even be in the opposite direction.

The anticipated ex-post tracking error under normal market conditions is 0.18%.

The Fund aims to achieve its objective through indirect replication, namely by entering into one or more over-the counter swap agreements (financial futures).

The Fund may invest in a diversified portfolio of international equities, the performance of which will be swapped against that of the Benchmark Index via financial futures. An up-to-date breakdown of the Fund's securities portfolio is provided on the website 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: financial futures, international equities, UCITS Funds, other financial instruments.
- Recommended Investment Period: as this is an arbitrage product, this Fund may not be suitable for investors wishing to make a medium or long-term investment
- Classification: Equities from Eurozone countries.
- 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 17.00, 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 7. The Fund has been classified as category 7 given its exposure to the Benchmark Index. Category 7 indicates that it is possible to suffer a very large or even complete capital loss, suddenly under normal market conditions, as the value of your investment could fluctuate very strongly and quickly both upward and downward each day.

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.



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: 0.60%.

This percentage is calculated based on the expenditure for the financial year ended September 2016 (including tax, where applicable), and may vary from year to year. It does not include either performance fees or transaction costs, except for the entry and/or exit fees paid by the Fund when it buys or sells units in another collective investment scheme.

Fees deducted by the Fund under certain circumstances

Performance commission: None

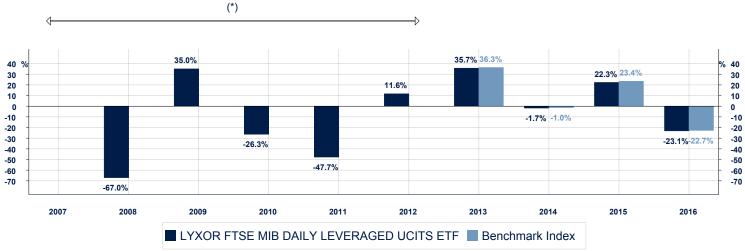
Past performances

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 28 March 2007.

ANNUAL PERFORMANCE OF LYXOR FTSE MIB DAILY LEVERAGED UCITS ETF (in %)



(*) Until 4 September 2012, there was no benchmark index as this Funds was actively managed using a hands-on method

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, details concerning the compensation policy and the latest annual and half-yearly reports of the Fund, are available in French and English free of charge by addressing a request to:

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 1 February 2017.