

NOTICE

Luxembourg, 30 October 2018

**NOTICE TO SHAREHOLDERS OF
THE FOLLOWING SUB-FUNDS OF MULTI-UNITS LUXEMBOURG, A LUXEMBOURG SICAV
FUND, HEREINAFTER (THE “SUB-FUND”)**

THE SUB-FUND'S SHARE CLASSES	ISIN CODE
Lyxor S&P 500 UCITS ETF - D-EUR	LU0496786574
Lyxor S&P 500 UCITS ETF - D-USD	LU0496786657
Lyxor S&P 500 UCITS ETF - Daily Hedged to EUR - Dist	LU0959211243
Lyxor S&P 500 UCITS ETF - Daily Hedged to EUR - Acc	LU0959211326
Lyxor S&P 500 UCITS ETF - Daily Hedged to CHF - Dist	LU1302703878
Lyxor S&P 500 UCITS ETF - C-EUR	LU1135865084

On 10 December 2018, at the close of trading, the aforementioned sub-fund (hereafter the “Sub-fund”) will no longer be eligible for French PEA equity savings plans.

Investors who hold one or more shares in the Sub-fund within a PEA plan must sell their share or shares before 10 December 2018 or their plan will be closed and they will forfeit its tax advantages.

The decision to no longer comply with the PEA criteria was deemed necessary in view of changing market conditions which make such compliance detrimental to the Sub-fund's performance. This decision has required that changes be made to the Sub-fund's Prospectus and KIID. These changes are described below.

Investors who wish to continue to track large-capitalization stocks traded in the United States within a PEA plan (while exposing themselves to weaker performance of which we provide an estimate below for informational purposes only) may, for example, invest in the the Lyxor PEA S&P 500 UCITS ETF - Capi fund, FR0011871128 (hereafter the “PEA Fund”). The PEA Fund, which is listed on NYSE Euronext Paris, has the same investment characteristics as the Sub-fund (including the same investment objective, benchmark index, management fees and risk profile) and is eligible for PEA plans.

**IMPORTANT NOTICE — THE PROSPECTUS AND KEY INVESTOR INFORMATION
DOCUMENTS HAVE BEEN AMENDED TO REFLECT THE SUB-FUND'S INELIGIBILITY FOR
FRENCH ‘PEA’ SHARE SAVINGS PLANS**

As explained in its prospectus, the Sub-fund's investment objective is to replicate, whether positive or negative, the performance of the S&P 500 Total Return index (the “Benchmark Index”), which is representative of the performance of large-equities that are actively traded in the United States.

To achieve this objective, the Sub-fund is exposed to the Benchmark Index via an indirect replication method by which the Sub-fund purchases a basket of international equities and enters into an over-the-counter swap contract that transforms the exposure to this basket of equities into exposure to the Benchmark Index.

If the basket of shares held by the Sub-fund meets the eligibility criteria for inclusion in a French shareholder savings plan (*plan d'épargne en actions* or PEA) the Sub-fund is itself eligible for a PEA plan, pursuant to Article L221-31 of the French Monetary and Financial Code. Until recently, the management company, Lyxor International Asset Management, was able to manage the Sub-

NOTICE

fund in such a way as both to replicate the Benchmark Index and meet the PEA eligibility criteria at little additional cost. However, under current market conditions investment constraints on the assets required for PEA eligibility may over time cause a PEA-eligible fund to underperform other non-eligible index funds that replicate the same index. This is why the Sub-fund's management company has decided to make the Sub-fund ineligible for PEA share savings plans.

The Management Company believes that under the regulatory, tax and market conditions as of the date hereof, the adverse impact on the Sub-fund's performance could be estimated to be approximately 0.10%. This estimate is provided for informational purposes only.

We inform you that, effective 11 December 2018, the Prospectus and Key Investor Information Documents of the aforementioned Sub-fund will be amended to reflect the following changes.

1) Amendment of the "ELIGIBILITY OF THE SUB- FUND" section of the Sub-fund's prospectus

This section no longer includes the claim that the Sub-fund is eligible for a PEA share savings plan or the claim that investment restrictions enabling the Sub-fund to maintain such eligibility will be observed.

2) Amendment of the Key Investor Information Document

The following sentence will be removed: "The Fund is eligible for French "PEA" equity savings plans and accordingly must invest at least 75% of its assets in the equities of European Union companies."

How this affects investors

The only consequence of this is to make the Sub-fund ineligible for inclusion in a French PEA share savings plan. There will be no change to the Sub-fund's risk profile or exposure and the Sub-fund will continue to replicate the Benchmark Index. This change will be effective on 10 December 2018 (at the close of trading).

- **If you invested through a French "PEA" equity savings plan** and you want to avoid having to close this plan and thereby lose any tax advantages, (depending on how long you have been invested in the plan), you must redeem or sell your units before 10 December 2018. To do this you should contact the financial intermediary that holds your plan.

However, if you would like to maintain exposure to the same index (**S&P 500 Total Return**) via an ETF fund that qualifies for your PEA plan, you may, for example, have your usual financial intermediary purchase units in **Lyxor PEA S&P 500 UCITS ETF – Capi**. (ISIN code: **FR0011871128**) a euro-denominated accumulation unit class of the PEA Fund which was specifically created for PEA investors, is also managed by Lyxor International Asset Management, and meets these requirements.

The aforementioned Capi unit class is listed on NYSE Euronext Paris. All of the characteristics of the Capi unit class – and in particular its investment objective, benchmark index, management fees, operating expenses and risk profile – are identical to those of the Sub-fund's C-EUR share class in which you are currently invested.

Therefore, in order to continuously maintain the same exposure in your PEA plan, when you sell your shares in the Sub-fund you may simultaneously invest the same amount in the PEA Fund's Capi unit class (ISIN code: FR0011871128) in your PEA plan.

You should however note the following:

- The performance of the PEA Fund's Capi unit class (ISIN code: FR0011871128) may be adversely affected for the reasons explained above (with a decrease in annual returns, under the regulatory and market conditions as of the date hereof, that we estimate, for informational purposes only, to be 0.10%). Before making any investment in this unit class, we therefore advise you to consult with your usual legal, financial and/or tax advisors to determine the best course of action for you.
- Investing in the PEA Fund's Capi unit class (ISIN code: FR0011871128) is purely optional and requires that you have your usual financial intermediary place a buy order with Euronext Paris. The units will then be purchased at the price and market conditions in effect when your buy order is placed. Furthermore, such a purchase will not automatically result in the sale of the shares you currently hold in the Sub-fund. In other words, in addition to investing in the PEA

NOTICE

Fund's Capi unit class (ISIN code: FR0011871128), you must also sell or redeem your shares in the Sub-fund before 10 December 2018 to prevent your PEA plan from being closed, with the aforementioned consequences.

- The prospectus, which among other things includes a description of the risk profile of the PEA Fund (ISIN code: FR0011871128), and the PEA Fund's key information for investors document are available on the Internet at www.lyxoretf.com. If you have any questions concerning this fund you may also contact the Management Company's staff by email at contact@lyxor.com or by post at the address indicated below.
 - The PEA Fund (ISIN code: FR0011871128), has no unit class denominated in US dollars. If you are currently invested in a USD-denominated share class of the Sub-fund and are planning to invest in the PEA Fund's unit class, which is denominated in euros, you may be exposed to currency risk arising from the conversion of US dollars into euros at the time of the transaction. In this case, we advise that you first consult with your usual legal, financial and/or tax advisors to determine the best course of action for you.
- **If you are invested through a standard securities account** you don't have to do anything.

The Sub-fund's trading tickers, management fees and all other characteristics will remain the same.

During a period of three months subsequent to the publication date of this notice, primary market investors (i.e. those who subscribe and redeem shares directly with the management company) may redeem their Sub-fund shares with the management company and/or its depository subject to the minimum amount requirement indicated in the prospectus (i.e. a whole number of shares representing a minimum amount of at least 100,000 EUR), without having to pay a redemption fee.

Of course, and as is always the case, the management company will charge no subscription or redemption fee for the purchase or sale of Sub-fund shares on any exchange where they are publicly traded (i.e. the secondary market). However, market intermediaries may charge broker fees. The management company does not keep these fees.

The new Prospectus and Key Investor Information Document may be obtained from the Management Company upon request.

The Board of Directors of the MULTI UNITS LUXEMBOURG fund