

OPTIMIZ BEST TIMING 7.5%

FULL PROSPECTUS

OPTIMIZ BEST TIMING 7.5%

SUMMARY PROSPECTUS

FORMULA FUND

UCITS COMPLIANT WITH EU STANDARDS

WARNING:

The OPTIMIZ BEST TIMING 7.5% Fund is constructed in the perspective of an investment for the entire term of the fund. Therefore, it is strongly recommended to purchase units in this fund only if you intend to retain them until their scheduled maturity.

If you resell your units before maturity (and therefore based on the guaranteed net asset value of 28 December 2017 or of one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016 according to the activation date of the maturity of the Fund), the price that you will be offered will depend on the market parameters on that day (and less redemption fees). It can vary greatly (lower or higher) from the amount that results from applying the announced formula.

STATUTORY AND REGULATORY DISCLOSURES

BRIEF PRESENTATION

ISIN CODE

FR0010508341

NAME

OPTIMIZ BEST TIMING 7.5%.

LEGAL FORM

Fonds Commun de Placement ("FCP"), a French kind of unincorporated mutual fund, registered under French law.

SUB-FUNDS/FEEDER FUND

No.

MANAGEMENT COMPANY

LYXOR INTERNATIONAL ASSET MANAGEMENT.

PLANNED DURATION

This Fund was initially created for a period of 10 years.

CUSTODIAN BANK

SOCIETE GENERALE.

STATUTORY AUDITORS

ERNST & YOUNG AND OTHERS.

MARKETING AGENT

SOCIETE GENERALE (under the Adequity brand).

OTHER REPRESENTATIVES

EURO-NAV provides portfolio accounting services for the Fund.

INFORMATION ABOUT INVESTMENTS AND MANAGEMENT

CLASSIFICATION

Formula fund.

GUARANTEE

Guarantee: no
Conditional capital protection.

UCITS OF UCITS

The Fund reserves the possibility of investing up to 100% of its net assets in UCITS during the life of the Fund.

INVESTMENT OBJECTIVE

The investment objective of the Optimiz Best Timing 7.5% Fund ("the Fund") is to participate in the changes in a selection of 40 international equities over 10 years ("the Basket").

Each year, these equities undergo a selection process based on their performance since the origin. The reference point that forms the original value for each equity is the result of the Best Timing 7.5% mechanism. This selection process consists in retaining, out of the 40 equities, only the 20 equities displaying the least best performance since the origin. We shall call the equally-weighted basket thus constituted as the "Reference Basket". The composition of the Reference Basket can be different each year. Moreover, the product is accompanied by an early redemption mechanism, that is activated automatically under certain conditions.

Full redemption for the product over the period of the formula is described hereinbelow. It includes an annual distribution, and a redemption at maturity:

a) Annual distributions

During the first two years, the unitholder, for each unit, receives a fixed Annual Distribution of 7.5% of the Reference Net Asset Value, or the Net Asset Value of 21 December 2007, or 100 euros.

Starting with the third year, as long as the Performance of the Reference Basket since the origin is less than the predefined activation threshold for each year, the unitholder receives an Annual Distribution (if it is positive) equal to 7.5% + 20% of the performance (positive or negative), of the Reference Basket since the origin.

b) Best Timing 7.5% Mechanism

The Fund has an optimisation mechanism of the reference price of each equity aiming to protect the unitholder in the event of negative performance during the 3 quarters following the launch date.

The Value of the Basket of the 40 Equities is calculated on 4 Initial Evaluation Dates during the first year. The Minimum Value of the Basket is determined as the smallest of these 4 Values of the Basket. The Initial Evaluation Date on which the Minimum Value of the Basket is calculated will be defined as being the Initial Observation Date. This will be the reference point for all of the calculations.

c) Early redemption

The Fund is accompanied by an early redemption mechanism, that is activated automatically under certain conditions.

Indeed, starting from the annual observation date of year 3 (included) and until that of year 9 (included), when the Performance of the Reference Basket since the origin has not dropped more than the predefined activation threshold for each year as follows:

Year n	Annual activation threshold
Year 3	5%
Year 4	10%
Year 5	15%
Year 6	20%
Year 7	25%
Year 8	30%
Year 9	35%

thus, on this annual observation date, an early redemption is triggered with full recovery of the initially invested capital (excluding subscription commissions). The unitholder then receives, per unit held, the Reference Net Asset Value multiplied by the higher of the two following values:

- 100% of the Value of the Reference Basket on this annual observation date;
- 100% + 7.5% multiplied by the number of years elapsed since year 3 included.

The unitholder therefore does not receive the Annual Distribution for this Annual Observation Date.

d) Redemption at maturity of year 10

If there has been no early redemption, there are two possibilities at the end of year 10:

- If the value of the Reference Basket for year 10 has dropped more than 40% compared to its Value on the Initial Observation Date, the unitholder receives, per unit, 100% of the value of the Reference Basket for year 10;
- Otherwise, the unitholder receives, per unit, 160% or the Value of the Reference Basket for year 10, whichever is greater.

Subscribers' attention is drawn to the fact that the capital invested in this support is not guaranteed at maturity. The distributions paid during the course of the Fund plus the amount paid at maturity may not be enough to repay the capital that was initially invested. From an economic standpoint, the distributions during the life of the Fund do not form a yield that is based on the initial investment, but are similar to partial early repayments of the capital.

ECONOMIC DESCRIPTION OF THE FUND

The unitholder is favouring a product that combines distribution and indexing on the international equities markets, and this, as compensation for taking a risk on the capital initially invested and for renouncing the distribution of dividends for the equities in the basket of international equities.

The unitholder is above all expecting the markets to provide good performance over the next 10 years and, more particularly, over the next 3 years (due to the early maturity mechanism).

Then, this is a fund that is indexed not on the basket itself, but on a basket comprised of 20 equities from among the 40 international equities in the Basket that have had the least performance on the annual observation dates. The unitholder is therefore expecting that the 20 equities with the least best performance from among the 40 are going to resist correctly.

SUMMARY OF ADVANTAGES AND DISADVANTAGES OF THE FUND FOR THE UNITHOLDER

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">▪ The Fund pays an annual distribution equal to 7.5% + 20% of the performance of the Reference Basket if the performance since the origin of the Reference Basket has not dropped more than 35%. Moreover, the first two payments are guaranteed equal to 7.5%.▪ Triggering of an early redemption when the performance of the basket has not dropped more than the annual threshold on an annual observation date starting from year 3. The unitholder thus benefits at least from the repayment of his capital + 7.5% per year elapsed after the first two years.▪ The annual threshold for triggering the early repayment is tapered: it goes down 5% year after year and reaches 35% in the 9th year.▪ The initial price of the Basket is retained as the lowest value of the Basket during the Initial Evaluation Dates.	<ul style="list-style-type: none">▪ The Reference Basket which serves to index the Fund is comprised of 20 equities out of the 40 having the least best performance since the origin.▪ No guarantee in terms of capital: the redemption value of the Fund can be less than the initially invested capital.▪ The possible triggering of early repayment, which guarantees good yield for the unitholder, is conditional and depends on how the Reference Basket changes. Therefore the unitholder does not know the maturity date of the Fund in advance.▪ The distributed amounts are similar to early and even partial repayments of the capital.▪ The unitholder renounces distribution of dividends for the equities in the basket of international equities.

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BENCHMARK INDEX

Due to its investment objective and strategy, there is no relevant benchmark index for this Fund.

However, simulations carried out on historical data (presented in the section "Simulation of historical market data") allow the behaviour of the formula to be assessed during the various market phases over the last few years and to compare it with the risk-free rate.

INVESTMENT STRATEGY

DETAILED DESCRIPTION OF THE FORMULA

Between 14 September 2007 and 21 December 2007, the net asset value grew regularly at a rate of 4.65% and reached 100 Euros on 21 December 2007. We are taking the case of an initial investment (excluding subscription commission) made on the basis of the net asset value of 21 December 2007, which is the Reference Net Asset Value ("RefNAV"). The start of indexing is scheduled for 21 December 2007.

a) The Basket:

We calculate on each Initial Evaluation Date (i) (i ranging from 1 to 4), the **Value of the Basket** (i) comprised of the 40 international equities as being equal to the arithmetic mean of the ratios between the closing prices of the equities on the Initial Evaluation Date (i) compared to the closing price on the Initial Evaluation Date (1).

Initial Evaluation Date (i), with i from 1 to 4: 21 December 2007, 21 April 2008, 21 August 2008, 22 December 2008 or if one of these days is not a Trading Day, the next Trading Day.

b) The Reference Basket with the Best Timing 7.5% mechanism

The **Minimum Value of the Basket** is defined as being equal to the smallest of the Values of the Basket (i) on the 4 Initial Evaluation Dates (i) (i ranging from 1 to 4) as being equal to the smallest of the Values of the Basket (i), i ranging from 1 to 4.

The **Initial Observation Date** is thus defined as being equal to:

- Initial Evaluation Date (4) if the Value of the Basket (4) = MinBasketValue
- Initial Evaluation Date (3) if the Value of the Basket (3) = MinBasketValue
- Initial Evaluation Date (2) if the Value of the Basket (2) = MinBasketValue
- Initial Evaluation Date (1) otherwise

At each of the 10 Annual Observation Dates, we retain the performance since the origin of the 20 international equities out of the 40 that have performed the least on the Annual Observation Date in question. This thus constitutes the **Reference Basket**.

The Performance of an Equity k in the reference Basket (k ranging from 1 to 20) on the Annual Observation Date n (n ranging from 1 to 10) is equal to the ratio between its closing price on the Annual Observation Date n compared to its closing price on the Initial Observation Date.

The **Value of the Reference Basket (n)**, equal to the arithmetic mean of the performance of these 20 Equities compared to the Initial Observation Date, is then calculated for each Annual Observation Date.

From this we deduce the **Performance of the Reference Basket** on the Annual Observation Date n, which is equal to the Value of the Reference Basket on the Annual Observation Date n, less 100%.

The Performance of the Reference Basket may be positive or negative.

c) Annual Distributions

At each Annual Distribution Payment Date n, the unitholder receives an Annual Distribution indexed on the Reference Basket, calculated in the following manner:

During the first two years, the unitholder receives, on the Annual Distribution Payment Dates following the Annual Observation Date in question for the first two years, an Annual Distribution equal to 7.5% of the Reference Net Asset Value.

During the next 8 years:

The unitholder receives per unit, on each Annual Distribution Payment Date following the Annual Observation Date n in question (n ranging from 3 to 10), an Annual Distribution equal to the product of the Reference Net Asset Value and the greater of 0% and the sum of:

- (i) 7.5%;
- (ii) and 20% of the Performance of the Reference Basket on the Annual Observation Date in question.

d) Early redemption

Starting from year 3, when on one of the Annual Observation Dates of the year k, with $3 \leq k \leq 10$, the Performance of the Reference Basket has not dropped more than the predefined activation threshold for each year a mechanism of early maturity is activated. In this case, the unitholder receives on the Annual Early Payment Date n, per unit held, the Reference Net Asset Value multiplied by the greater of the 2 following amounts:

- (i) 100% of the Value of the Reference Basket on this Annual Observation Date
- (ii) $100\% + 7.5\%$ multiplied by the number of years elapsed since year 3 included;

In this case, the unitholder does not receive the Annual Distribution of the year of triggering of early redemption.

Year n	Annual activation threshold
Year 3	5%
Year 4	10%
Year 5	15%
Year 6	20%
Year 7	25%
Year 8	30%
Year 9	35%

Between the early redemption date and 28 December 2017, the unitholder has the possibility to retain his units, which will be invested at a rate close to the money market rate. During this period of monetary investment, the unitholder also has the possibility of repurchasing his units without fees.

e) Redemption in year 10

If no early redemption has occurred, the unitholder receives per unit at the 10-year maturity (28 December 2017):

- (i) 100% of the Value of the Reference Basket (10) if the Value of the Reference Basket on the Annual Observation Date (10) has dropped more than 40% compared to its value on the Initial Observation Date
- (ii) the greater of 160% and the Value of the Reference Basket (10) otherwise.

f) Definitions

- **Annual Observation Dates n (n ranging from 1 to 10):** 21 December 2008, 21 December 2009, 21 December 2010, 21 December 2011, 21 December 2012, 21 December 2013, 21 December 2014, 21 December 2015, 21 December 2016, 21 December 2017 or if one of these days is not a Trading Day, the next Trading Day;

- **Annual Distribution Payment Dates n (n ranging from 1 to 10):** 28 December 2008, 28 December 2009, 28 December 2010, 28 December 2011, 28 December 2012, 28 December 2013, 28 December 2014, 28 December 2015, 28 December 2016, 28 December 2017 or if one of these days is not a Trading Day, the next Trading Day.

- **Annual Early Payment Dates n (n ranging from 3 to 9):** 28 December 2010, 28 December 2011, 28 December 2012, 28 December 2013, 28 December 2014, 28 December 2015, 28 December 2016, or if one of these days is not a Trading Day, the next Trading Day.

- **Trading Day:** means, for each Equity, any day on which the stock exchange on which the Equity is listed is open and operating as usual.

The 40 equities that initially comprise the Basket are as follows:

Name of the security	Reuters Code	Country	Sector
8604.T	Nomura Holdings Inc	Japan	Financials
5401.T	Nippon Steel Corp	Japan	Materials
JDSU.OQ	JDS Uniphase Corp	United States	Information Technology
6702.T	Fujitsu Ltd	Japan	Information Technology
8058.T	Mitsubishi Corp	Japan	Industrials
9531.T	Tokyo Gas Co Ltd	Japan	Utilities
6764.T	Sanyo Electric Co Ltd	Japan	Consumer Discretionary
7201.T	Nissan Motor Co Ltd	Japan	Consumer Discretionary
RHA.PA	Rhodia SA	France	Materials
2503.T	Kirin Holdings Co Ltd	Japan	Consumer Staples
ISPA.AS	Arcelor Mittal	Netherlands	Materials
FTE.PA	France Telecom SA	France	Telecommunication Services
MS.MI	Mediaset SpA	Italy	Consumer Discretionary
EAD.PA	European Aeronautic Defence and Space Co NV	Netherlands	Industrials
SGEF.PA	Vinci SA	France	Industrials
DYN.N	Dynegy Inc	United States	Utilities
AMZN.OQ	Amazon.Com Inc	United States	Consumer Discretionary
VLOF.PA	Valeo SA	France	Consumer Discretionary
CAPP.PA	Cap Gemini SA	France	Information Technology
CAGR.PA	Credit Agricole SA	France	Financials
RENA.PA	Renault SA	France	Consumer Discretionary
005490.KS	POSCO	South Korea	Materials
GAS.MC	Gas Natural SDG SA	Spain	Utilities
ISP.MI	Intesa Sanpaolo SpA	Italy	Financials
TMS.PA	Thomson	France	Consumer Discretionary
DPW.Gn.DE	Deutsche Post AG	Germany	Industrials
AXAF.PA	AXA SA	France	Financials
AZN.ST	AstraZeneca PLC	United Kingdom	Health Care
IBE.MC	Iberdrola SA	Spain	Utilities
STERV.HE	Stora Enso Oyj	Finland	Materials
VIV.PA	Vivendi	France	Consumer Discretionary
RWEG.DE	RWE AG	Germany	Utilities
RTO.L	Rentokil Initial PLC	United Kingdom	Industrials
AAPL.OQ	Apple Inc	United States	Information Technology
NT.N	Nortel Networks Corp	Canada	Information Technology
HMB.ST	Hennes & Mauritz AB	Sweden	Consumer Discretionary
MO.N	Altria Group Inc	United States	Consumer Staples
AVP.N	Avon Products Inc	United States	Consumer Staples
WB.N	Wachovia Corp	United States	Financials
ELUXb.ST	Electrolux AB	Sweden	Consumer Discretionary

The procedures for substituting equities in the Basket are described in the section "Terms of the guarantee and description of the formula" in the detailed memorandum of the full prospectus.

MARKET EXPECTATIONS ALLOWING THE RESULT OF THE FORMULA TO BE MAXIMISED

The market scenarios that optimise the yield of the Fund's formula for the unitholder assume that the Reference Basket will perform very well from the origin, in the third year; the Fund will in this case mature early on that date.

EXAMPLES WITH FIGURES

The examples with figures are provided as a guide only in order to illustrate the formula's mechanism and provide no indication as to the Fund's past, present or future performance.

The annual rate of return that investing in the Fund represents across the entire life of the formula is provided for each example given below. The unitholder may compare this rate of return with the rate that would be provided through investing in a Treasury Bond with comparable maturity

Example of determining the performance of the Reference Basket on an annual observation date:

The performance of the 20 equities is retained from among the 40 in the Basket having the least best performance on the given annual observation date.

Equity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Performance	118 %	112 %	104 %	97.5 %	95 %	89 %	86 %	83 %	78 %	77.5 %	75 %	72 %	67.5 %	66 %	64 %	59 %	55 %	51 %	47.5 %	44 %

Equity	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Performance	43 %	38 %	35 %	34 %	31 %	28 %	26 %	23 %	20 %	17.5 %	12 %	9 %	5 %	- 1 %	- 7.5 %	- 10 %	- 14 %	- 16 %	- 22 %	- 25 %

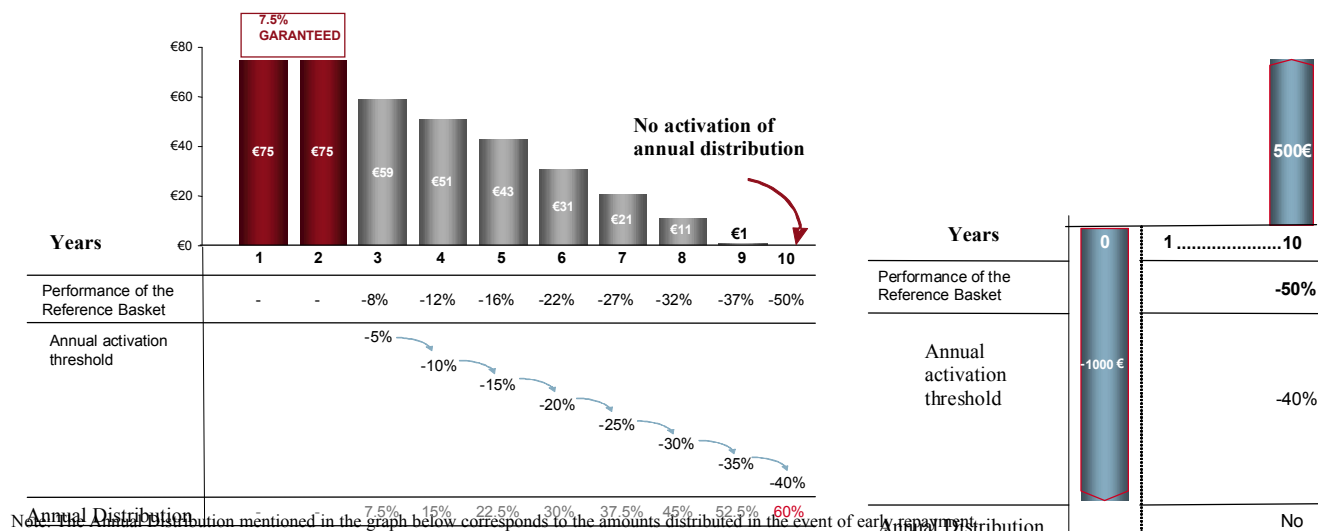
The performance of the Reference Basket on the annual observation date in question is equal to the arithmetic mean of the performance of equities 21 to 40, or 11.30%.

First example: unfavourable scenario:

The yield obtained is negative when on the annual observation date for year 10, the performance of the Reference Basket (comprised of the 20 equities out of the 40 having the least best performance) is negative, and the annual distributions do not offset the drop in the redemption value at maturity (which is less than 100% of the capital that was initially invested).

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Value of the Reference Basket	75.00%	72.00%	92.00%	88.00%	84.00%	78.00%	73.00%	68.00%	63.00%	50.00%
Performance of the Reference Basket	-25%	-28%	-8%	-12%	-16%	-22%	-27%	-32%	-37%	-50%
Annual distribution (per unit, in percentage of the reference Net Asset Value)	7.5%	7.5%	5.9%	5.1%	4.3%	3.1%	2.1%	1.1%	0.1%	0.0%
Early redemption			NO	NO	NO	NO	NO	NO	NO	
Redemption value at maturity (per unit, as a percentage of the Reference Net Asset Value)										50%

The first illustration below shows the annual distributions, and the second shows the initial investment and the final repayment.



Note: the Annual Distribution mentioned in the graph below corresponds to the amounts distributed in the event of early maturity.

The early maturity mechanism is never triggered since the performance of the Reference Basket is lower, on each annual observation date, than the activation threshold.

The first 2 years, the annual distribution is equal to 7.5% of the Reference Net Asset Value.

The annual distributions for years 3 to 8 are equal to the greater of (i) 0, and (ii) the sum of 7.5% and 20% of the performance of the Reference Basket:

- the annual distribution for year 3 is $7.5\% + 20\% \times (-8\%) = 5.9\%$
- the annual distribution for year 4 is $7.5\% + 20\% \times (-12\%) = 5.1\%$
- the annual distribution for year 5 is $7.5\% + 20\% \times (-16\%) = 4.3\%$
- the annual distribution for year 6 is $7.5\% + 20\% \times (-22\%) = 3.1\%$
- the annual distribution for year 7 is $7.5\% + 20\% \times (-27\%) = 2.1\%$
- the annual distribution for year 8 is $7.5\% + 20\% \times (-32\%) = 1.1\%$
- no annual distribution takes place for year 9, since the sum of 7.5% and 20% of the performance of the Reference Basket is negative: $7.5\% + 20\% \times (-37\%) = -0.1\%$
- no annual distribution takes place for year 10, since the sum of 7.5% and 20% of the performance of the Reference Basket is negative: $7.5\% + 20\% \times (-50\%) = -2.5\%$

The performance of the Reference Basket has a sharp drop here (-50%), which is below the annual activation threshold (-40%) in year 10.

The unitholder therefore receives 100% of the value of the Reference Basket in year 10.

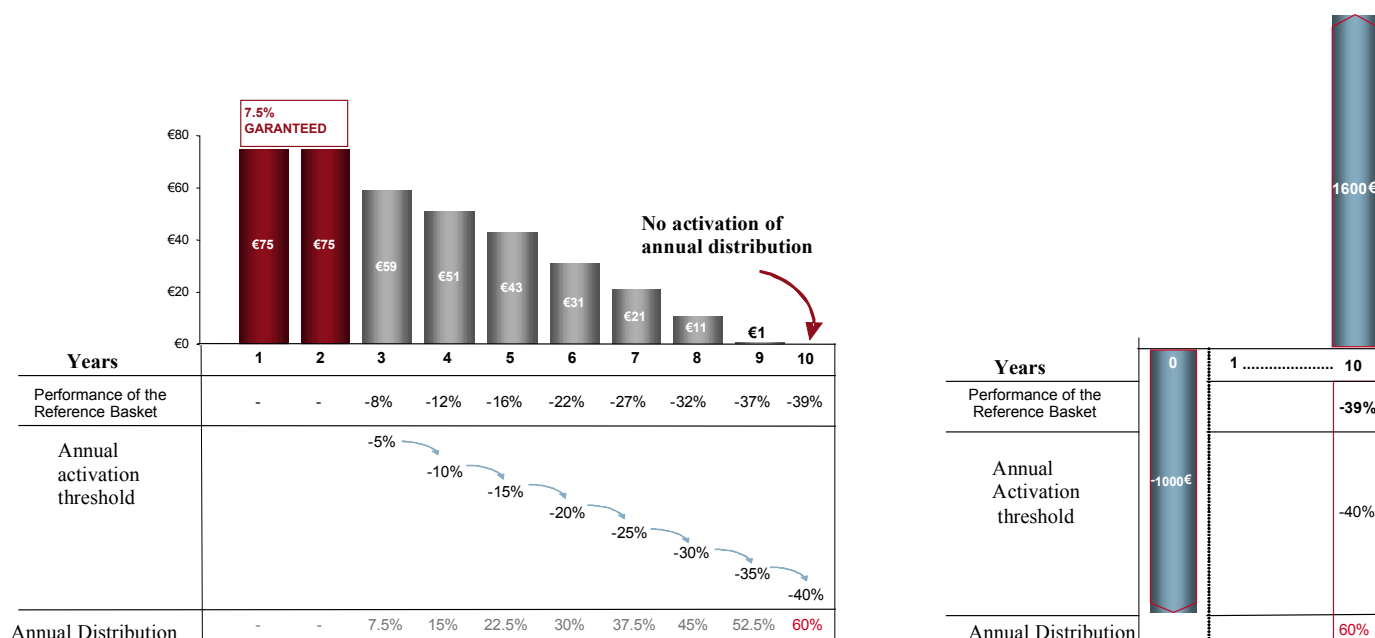
For a unitholder that initially invested 1000 euros, the value of the reference basket in year 10 will in this case be 500 euros. The unitholder will thus incur a capital loss of 500 euros.

The unitholder's annual rate of return for units in the Fund will be equal to -1.93%. This return on investment is to be compared to that of a Treasury Bond with comparable maturity, or 4.45% per year on 25 July 2007 (10-year risk-free rate).

Second example: median case 1:

	year 1	year 2	year 3	year 4	year 5	year 6	year 7	year 8	year 9	year 10
Value of the Reference Basket	75.00%	72.00%	92.00%	88.00%	84.00%	78.00%	73.00%	68.00%	63.00%	61.00%
Performance of the Reference Basket	-25%	-28%	-8%	-12%	-16%	-22%	-27%	-32%	-37%	-39%
Annual distribution (per unit, in percentage of the reference Net Asset Value)	7.5%	7.5%	5.9%	5.1%	4.3%	3.1%	2.1%	1.1%	0.1%	0.0%
Early redemption			NO	NO	NO	NO	NO	NO	NO	
Redemption Value at maturity (per unit, as a percentage of the Reference Net Asset Value)										160%

The first illustration below shows the annual distributions, and the second shows the initial investment and the final repayment.



Note: The Annual Distribution mentioned in the graph below corresponds to the amounts distributed in the event of early repayment.

The early maturity mechanism is never triggered since the performance of the Reference Basket is lower, on each observation date between year 3 and year 9, than the activation threshold.

The first 2 years, the annual distribution is equal to 7.5% of the Reference Net Asset Value.

The annual distributions for years 3 to 9 are equal to the greater of (i) 0, and (ii) the sum of 7.5% and 20% of the performance of the Reference Basket:

- the annual distribution for year 3 is $7.5\% + 20\% \times (-8\%) = 5.9\%$
- the annual distribution for year 4 is $7.5\% + 20\% \times (-12\%) = 5.1\%$
- the annual distribution for year 5 is $7.5\% + 20\% \times (-16\%) = 4.3\%$
- the annual distribution for year 6 is $7.5\% + 20\% \times (-22\%) = 3.1\%$
- the annual distribution for year 7 is $7.5\% + 20\% \times (-27.5\%) = 2.1\%$
- the annual distribution for year 8 is $7.5\% + 20\% \times (-32\%) = 1.1\%$
- the annual distribution for year 9 is $7.5\% + 20\% \times (-37\%) = 0.1\%$

The performance of the Reference Basket has a sharp drop here (-39%) in year 10 but it is greater than the annual activation threshold (-40%). The unitholder therefore receives, per unit, the greater of 160% and 100% of the value of the Reference Basket for year 10, or 160%.

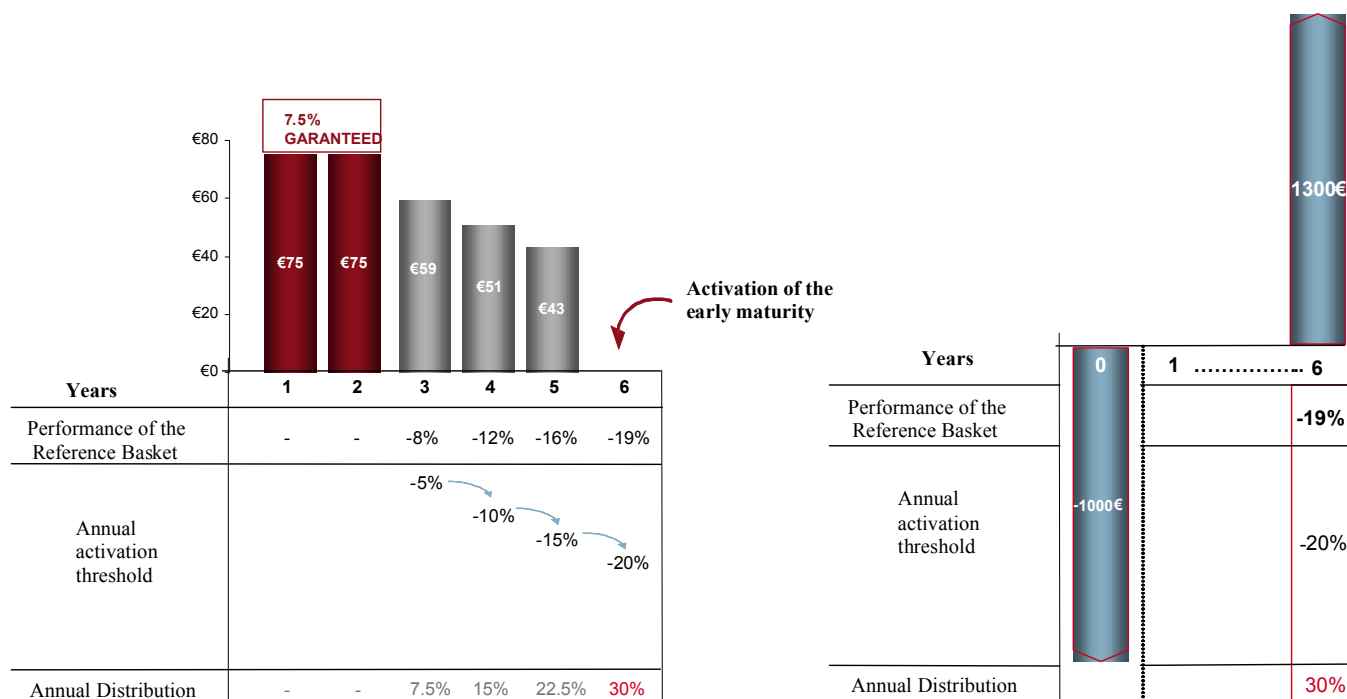
For a unitholder that initially invested 1000 euros, the amount paid to the unitholder at the end of year 10 is 1600 euros. The capital gain for the unitholder is therefore 600 euros.

The unitholder's annual rate of return for units in the Fund will be equal to 8.35%. This return on investment is to be compared to that of a Treasury Bond with comparable maturity, or 4.45% per year on 25 July 2007 (10-year risk-free rate).

Third example: median case 2:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Value of the Reference Basket	75.00%	72.00%	92.00%	88.00%	84.00%	81.00%				
Performance of the Reference Basket	-25%	-28%	-8%	-12%	-16%	-19%				
Annual distribution (per unit, in percentage of the reference Net Asset Value)	7.5%	7.5%	5.9%	5.1%	4.3%					
Early redemption			NO	NO	NO	YES				
Redemption Value at maturity (per unit, as a percentage of the Reference Net Asset Value)						130%				

The first illustration below shows the annual distributions, and the second shows the initial investment and the final repayment.



Note: The Annual Distribution mentioned in the graph below corresponds to the amounts distributed in the event of early repayment.

The early maturity mechanism is triggered during year 6 since the performance of the Reference Basket is greater than the activation threshold (which is 80% the sixth year).

The first 2 years, the annual distribution is equal to 7.5% of the Reference Net Asset Value.

The annual distributions for the following years are equal to the greater of (i) 0, and (ii) the sum of 7.5% and 20% of the performance of the Reference Basket:

- the annual distribution for year 3 is $7.5\% + 20\% \times (-8\%) = 5.9\%$
- the annual distribution for year 4 is $7.5\% + 20\% \times (-12\%) = 5.1\%$
- the annual distribution for year 5 is $7.5\% + 20\% \times (-16\%) = 4.3\%$

There is no annual distribution starting in year 6, since the early redemption had been triggered.

In this case, the value of the repayment paid at the end of year 6 is therefore the Reference Net Asset Value multiplied by the higher of the 2 following amounts:

(i) 100% of the Value of the Reference Basket on the annual observation date, or $100\% \times 81\%$;

(ii) the sum of 100% and of $7.5\% \times n$ with n = number of years elapsed since year 3 included, or $100\% + 7.5\% \times 4 = 30\% \times \text{RefNAV}$

The value of the repayment paid at the end of year 6 is therefore equal to 130% of the Reference Net Asset Value.

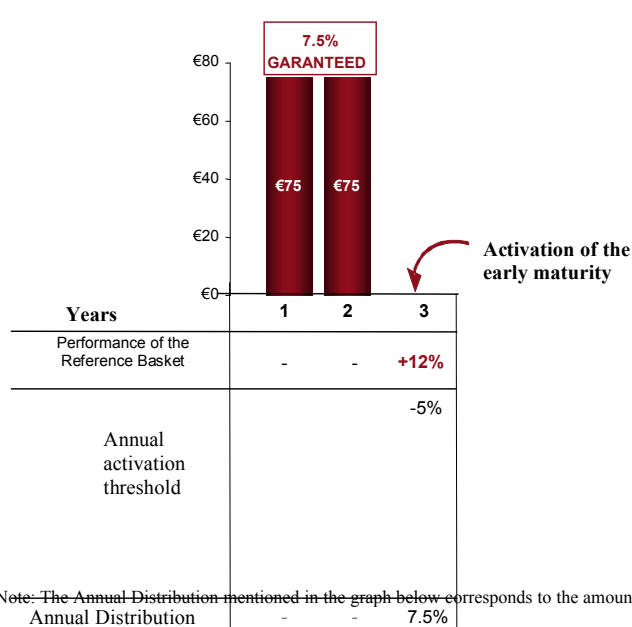
For a unitholder that initially invested 1000 euros, the amount paid to the unitholder at the end of year 6 is 1300 euros. The capital gain for the unitholder is therefore 300 euros.

The unitholder's annual rate of return for units in the Fund will be equal to 9.35%. This return on investment is to be compared to that of a Treasury Bond with comparable maturity, or 4.42% per year on 25 July 2007 (6-year risk-free rate).

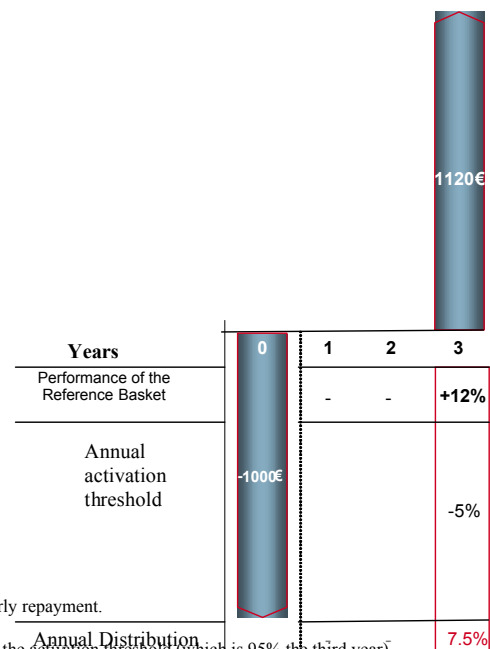
Fourth example: Favourable scenario:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Value of the Reference Basket	75.00%	72.00%	112.00%							
Performance of the Reference Basket	-25%	-28%	12%							
Annual distribution (per unit, in percentage of the reference Net Asset Value)	7.5%	7.5%								
Early redemption			YES							
Redemption value at maturity (per unit, as a percentage of the Reference Net Asset Value)			112%							

The first illustration below shows the annual distributions, and the second shows the initial investment and the final repayment.



Note: The Annual Distribution mentioned in the graph below corresponds to the amounts distributed in the event of early repayment.



The early maturity mechanism is triggered during year 3 since the performance of the Reference Basket is greater than the activation threshold (which is 95% the third year).

The first 2 years, the annual distribution is equal to 7.5% of the Reference Net Asset Value.

There is no annual distribution starting in year 3, since the early redemption had been triggered.

In this case, the value of the repayment paid at the end of year 3 is therefore the Reference Net Asset Value multiplied by the higher of the 2 following amounts:

(i) 100% of the Value of the Reference Basket on the annual observation date, or 100%*112%;

(ii) the sum of 100% and of 7.5% x n with n = number of years elapsed since year 3 included, or 100%+7.5% x 1 = 7.5% x RefNAV

The value of the repayment paid at the end of year 3 is therefore equal to 112% of the Reference Net Asset Value.

For a unitholder that initially invested 1000 euros, the amount paid to the unitholder at the end of year 3 is 1120 euros. The capital gain for the unitholder is therefore 120 euros.

The unitholder's annual rate of return for units in the Fund will be equal to 8.87%. This return on investment is to be compared to that of a Treasury Bond with comparable maturity, or 4.42% per year on 25 July 2007 (3-year risk-free rate).

SIMULATIONS ON HISTORICAL MARKET DATA

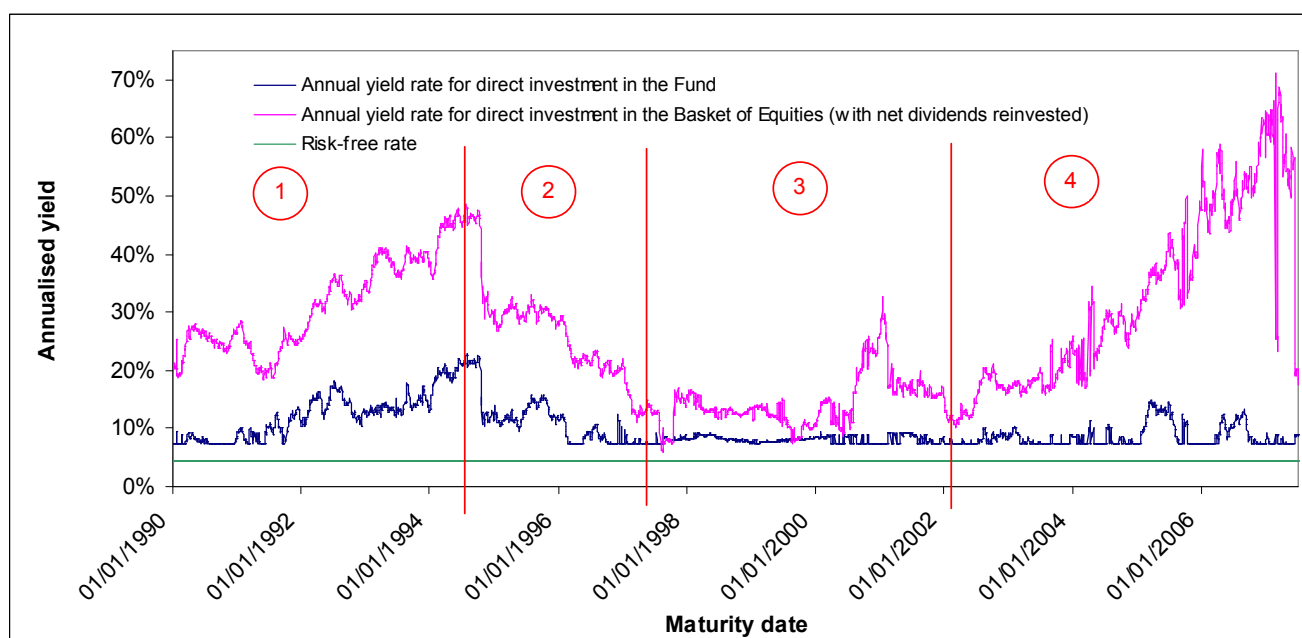
The simulations on historical market data allow the yield to be calculated that would have occurred if the Fund had been launched in the past, presented according to the launch date. They allow the behaviour of the formula to be assessed during the various market phases over the last few years. Remember however that past performance is not an indication of future changes in the markets, and likewise of the performance of the Fund.

These simulations were carried out very carefully by the management company using information sources that it deems to be reliable. It cannot be held responsible in the event of error or omission caused by its information suppliers.

Tests on historical data were carried out in order to simulate the performance offered by products having the same characteristics as the Fund (same duration, same Basket of equities¹, same repayment formula, etc.) launched at many dates in the past.

4570 simulations were carried out on similar products launched on a daily basis between 1 January 1980 and 7 July 1997 (and as such maturing between 1 January 1990 and 6 July 2007). The results are as follows:

The following graph shows the annual effective rate ("AER") of an investment in the Fund (excluding subscription commission) according to the launch date of the fund as well as the annualised effective rate for direct investment in the basket of 40 equities. This is compared to the risk-free rate on 25 July 2007 for a Treasury Bond with a maturity of 10 years:



1 / Period from January 1980 – December 1984

The simulations carried out on similar products launched between January 1980 and December 1984 (and therefore maturing between January 1990 and December 1994) show a sharp rise in the annual rate of return in the international equities market. In this context, since the yield of the equities basket is very high, the yield from the formula is down compared to the yield from the basket. The yield from the formula actually seems to grow less quickly than that of the basket while still remaining higher than the risk-free rate.

2 / Period from January 1985 – September 1987

The simulations on products launched between January 1985 and September 1987 (and therefore maturing between January 1995 and September 1997) show a sharp drop in the basket's yield and in the equities markets, while the formula's rate of return dropped progressively. These rates of return do remain however at a good level over this period, and are higher than the risk-free rate. The difference between the Fund and the basket of equities is lower than in the first period, even if the formula retains lower rates of return.

3 / Period from October 1987 – March 1992

The simulations on products launched between October 1987 and March 1992 (and therefore maturing between October 1997 and March 2002) show stability in the equities markets, and as such in the yield from the basket of equities. The yield from the formula is stable and remains less than the basket's yield. The rates of return remain higher than the risk-free rate.

4 / Period from April 1992 – July 1997

The simulations on products launched between April 1992 and July 1997 (and therefore maturing between April 2002 and July 2007) show a very sharp rise in the basket's rate of return, which is not as pronounced for the formula's rate of return. The rates of return remain much higher than the risk-free rate.

RISK PROFILE

Unitholders' money will be invested primarily in financial instruments selected by the management company. These instruments will fluctuate in line with the markets.

Warning

The OPTIMIZ BEST TIMING 7.5% Fund is constructed in the perspective of an investment for the entire term of the fund. Therefore, it is strongly recommended to purchase units in this fund only if you intend to retain them until their scheduled maturity.

If you resell your units before maturity (and therefore based on the guaranteed net asset value of 28 December 2017 or of one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016 according to the activation date of the maturity of the Fund), the price that you will be offered will depend on the market parameters on that day (and less redemption fees). It can vary greatly (lower or higher) from the amount that results from applying the announced formula.

Risks linked to the classification

The classification of the Fund requires it to comply with the formula on a strict basis. As the repayment formula is predetermined, the manager cannot make any investment decisions other than for the purpose of achieving the formula, and this, independent of new expectations in the market.

Risks linked to the characteristics of the formula

Through the Fund, the unitholder is exposed to the risks linked to the characteristics of the formula which have the following disadvantages:

- The Reference Basket which serves to index the Fund is comprised of 20 equities out of the 40 having the least best performance since the origin.
- No guarantee in terms of capital: the redemption value of the Fund can be less than the initially invested capital.
- The possible triggering of early repayment, which guarantees good yield for the unitholder, is conditional and depends on how the Reference Basket changes. Therefore the unitholder does not know the maturity date of the Fund in advance.
- The distributed amounts are similar to early and even partial repayments of the capital.
- The unitholder renounces distribution of dividends for the equities in the basket of international equities.

Counterparty risks

The Fund shall be exposed to the counterparty risk resulting from the use of OTC forward financial instruments contracted with a lending institution. The Fund is therefore exposed to the risk that the lending institution may not be able to honour its commitments with regard to these instruments. For each counterparty, the counterparty risk resulting from the use of these forward financial instruments is limited at any time to 10% of the Fund's net asset value.

Risks linked to the absence of a call to tender

The management company has not made a commitment to a procedure that is formal, traceable and controllable concerning the competition of the counterparty of the OTC forward financial instrument allowing the Fund to achieve its investment objective. This counterparty is Société Générale.

Market risks

Outside of the dates calling the guarantee into play, the net asset value is subjected to changes in the markets and to the risks that are inherent with any investment. The Fund's net asset value can change upwards or downwards.

As the life of the formula is approximately 10 years, holders of units in the fund must consider their investment as a 10-year investment and ensure that the length of the investment suits their needs and their financial situation.

Risks linked to inflation

Through the Fund, investors are exposed to the risk of depreciating money.

GUARANTEE OR PROTECTION

GUARANTOR INSTITUTION: SOCIETE GENERALE

The investment objective above is guaranteed via a guarantee granted by Société Générale.

Unitholders that have subscribed to units in the Fund, regardless of the date of subscription of their units in the Fund, requesting the repurchase of these same units based on the net asset value on 28 December 2017 or on one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, according to the activation date of the maturity of the Fund, shall benefit from the Guaranteed Net Asset Value corresponding to this date.

Unitholders, regardless of the date of subscription of their units, requesting the repurchase of these same units based on a net asset value other than that on 28 December 2017 or on one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, according to the activation date of the maturity of the Fund, will not benefit from the Guaranteed Net Asset Value corresponding to one of these dates.

The management company will exercise the guarantee for the Fund. In the event that, on 28 December 2017 or on one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, according to the activation date of the maturity of the Fund, the Fund's net assets are not sufficient, Société Générale will pay the difference to the Fund in order to achieve the Guaranteed Net Asset Value for the date in question.

Outside of the dates calling the guarantee into play (28 December 2017, or 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, according to the activation date of the maturity of the Fund), the net asset value subjected to the changes in the markets may differ from the Guaranteed Net Asset Value of one of these dates.

The details on the guarantee commitment given by Société Générale to the Fund are set out in the detailed memorandum of the full prospectus.

ASSETS USED

The Fund will invest primarily in assets other than securities, debt securities and instruments in the money market.

In order to achieve its investment objective and obtain the repayment in the formula, the Fund will make use of performance *swaps* traded over the counter exchanging the performance of UCITS in the Fund's assets for the performance of the formula.

If one of the conditions for triggering the early redemption mechanism is fulfilled (the Effective Maturity Date of the Fund occurring on one of the Annual Early Repayment Dates), the Fund will then be transformed into a money UCITS, once approved by the AMF: starting from the Effective Maturity Date (included) and up to 28 December 2017 (included), the net asset value of the Fund will progress on a regular basis according to a rate close to the money market rate less management fees.

Special information will be sent to unitholders on that occasion.

SUBSCRIBERS CONCERNED AND TYPICAL INVESTOR PROFILE

The Fund is open to any subscriber, and is primarily intended to be used as a support for life insurance policies.

Investors subscribing to this Fund are seeking partial exposure to the 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, and their cash requirements at present and for the next ten years, as well as whether they wish to take risks or opt instead for a cautious investment approach. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to the risks of the Fund.

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

The life of the formula is approximately 10 years.

INFORMATION ABOUT CHARGES, COMMISSION FEES AND TAXATION

CHARGES AND COMMISSION FEES

SUBSCRIPTION AND REDEMPTION COMMISSIONS

Subscription and redemption fees are added to the subscription price paid by the unitholder or deducted from the redemption price. Commission fees paid to the Fund are to compensate for the charges incurred by the Fund in buying or selling the entrusted assets. Any remaining commission fees go to the management company, marketing agent, etc.

Fees payable by the investor, charged upon subscription or redemption	Base	Rate
Subscription fee not allocated to the Fund	Net asset value × number of units	Until 21 December 2007 included: 4.50% maximum of the subscription net asset value After 21 December 2007: 4.50% maximum, including 2% maximum allocated to the management company
Subscription fee allocated to the Fund	Net asset value × number of units	None
Redemption fee not allocated to the Fund	Net asset value × number of units	None
Redemption fee allocated to the Fund	Net asset value × number of units	None

OPERATING AND MANAGEMENT FEES

These fees cover all costs charged directly to the Fund, with the exception of transaction fees. Transaction fees include intermediation expenses (brokerage, stock exchange taxes etc.) and transfer fees, if applicable, which may be levied by the custodian and the management company. The following fees may also be charged in addition to operating and management fees:

- outperformance fees. These are paid to the management company if the Fund exceeds its objectives. They are therefore charged to the Fund;
- transfer fees charged to the Fund;
- a share of income from the temporary acquisition and sale of securities.

For more details about fees charged to the Fund, please refer to the Fund Statistics section of the summary prospectus.

Fees charged to the Fund	Base	Rate
Operating and management fees incl. taxes ⁽¹⁾	Net assets	1.50% p.a. maximum
Outperformance fee	Net assets	None
Movement commissions	N/A	None

⁽¹⁾ including all fees excluding transaction fees, outperformance fees and fees relating to investments in UCITS or investment funds.

MAXIMUM MANAGEMENT FEES FOR UCITS HELD AS AN ASSET BY THE FUND

The Fund will invest in UCITS for which the management fees do not exceed 0.50% inc. taxes of the net assets per year.

COMMISSIONS FOR SUBSCRIPTION AND REDEMPTION OF UCITS HELD AS AN ASSET BY THE FUND

The Fund will invest in UCITS for which no commission for subscription or redemption will be collected.

TAX REGIME

The Fund can also be used for unit-linked life insurance policies.

Depending on unitholders' tax regime, any capital gains and income deriving from ownership of units in the Fund may be subject to tax. Investors are advised to find out more regarding this issue from the Fund's marketing agent.

COMMERCIAL INFORMATION

CONDITIONS FOR SUBSCRIPTION AND REDEMPTION

Subscription and redemption orders are received and centralised by the Société Générale Securities and Stock Market Department no later than 1 p.m. (Paris time) for execution based on the net asset value published on this day, and will be calculated the following business day by Lyxor International Asset Management.

Subscriptions are made by amount or in thousandths of units.

Redemptions are made in thousandths of units.

FINANCIAL YEAR-END DATE

Last day of calculation of the net asset value of the month of December.

First year-end date: the last day of calculation of the net asset value of the month of December 2008.

APPROPRIATION OF INCOME

The management company reserves the right to distribute and/or accumulate all or part of the Fund's income.

The Fund will distribute to any unitholder of the Fund on the Annual Distribution Payment Dates such as defined in the section "Description of the formula" the amount of the annual distributions defined in this same section.

Accounted for as collected coupons.

DATE AND FREQUENCY OF NET ASSET VALUE CALCULATION

Daily, except for public holidays according to the French Labour Code as well as the calendar of closings for the Paris Bourse.

PLACE AND PROCEDURES FOR THE PUBLICATION OR COMMUNICATION OF THE NET ASSET VALUE

At the head office of Lyxor International Asset Management, 17, cours Valmy - 92800 Puteaux - France.

Distribution of the summary prospectus and the offer or purchase of units in the Fund may be subject to restrictions in certain countries. The summary prospectus does not constitute an offer or solicitation by any party in any jurisdiction in which such an offer or solicitation would be unlawful or in which the person making the offer or solicitation is not qualified so to do or to any person to whom it would be unlawful to make such an offer or solicitation. Units in the Fund have not been and will not be offered or sold in the United States on behalf of or for the benefit of a citizen or resident of the United States.

No persons other than those listed in the summary prospectus are authorised to provide information about the Fund.

Potential subscribers should apprise themselves of the legal requirements applicable to this subscription request and obtain information about exchange control regulations and the tax regime applicable in their country of citizenship or residency or the country in which they are domiciled.

UNIT LISTING CURRENCY

Euro.

INCEPTION DATE

This Fund was approved by the Autorité des Marchés Financiers (Financial Markets Authority) on 28 Aug 2007. It was created on 14 September 2007 for a period of approximately 10 years.

INITIAL NET ASSET VALUE

98.77 EUR.

ADDITIONAL INFORMATION

The full prospectus and most recent annual report and updates are sent out within one week upon receipt of a written request submitted by investors to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17, cours Valmy - 92800 Puteaux - France.

e-mail: contact@lyxor.com.

Requests for information can also be submitted via the website.

Prospectus publication date: 12 September 2007

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

The summary prospectus must be provided to subscribers prior to subscription.

FUND STATISTICS

THIS PART OF THE SUMMARY PROSPECTUS WILL NOT BE AVAILABLE UNTIL AFTER THE FUND'S FIRST ACCOUNTING PERIOD

OPTIMIZ BEST TIMING 7.5%

DETAILED MEMORANDUM FORMULA FUND

UCITS COMPLIANT WITH EU STANDARDS

WARNING: The OPTIMIZ BEST TIMING 7.5% Fund is constructed in the perspective of an investment for the entire term of the fund. Therefore, it is strongly recommended to purchase units in this fund only if you intend to retain them until their scheduled maturity.

If you resell your units before maturity (and therefore based on the guaranteed net asset value of 28 December 2017 or of one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016 according to the activation date of the maturity of the Fund), the price that you will be offered will depend on the market parameters on that day (and less redemption fees). It can vary greatly (lower or higher) from the amount that results from applying the announced formula.

GENERAL CHARACTERISTICS

FORM OF THE FUND

NAME

OPTIMIZ BEST TIMING 7.5%.

LEGAL FORM AND MEMBER STATE IN WHICH THE FUND WAS CREATED

Fonds Commun de Placement (FCP, unincorporated mutual fund) registered in France.

INCEPTION DATE AND PLANNED DURATION

This Fund was created on 14 September 2007 for a period of approximately 10 years.

SUMMARY DETAILS

INITIAL NET ASSET VALUE	Sub-funds	ISIN code	Allocation of income	Listing currency	Subscribers concerned	Minimum subscription amount
98.77 EUR	No	FR0010508341	The management company reserves the right to distribute and/or accumulate all or part of the Fund's income.	Euros (EUR)	The Fund is open to any subscriber	None

AVAILABILITY OF THE LAST ANNUAL REPORT AND PERIODIC REPORT

The most recent annual report and updates are sent out within one week upon receipt of a written request submitted by investors to:

LYXOR INTERNATIONAL ASSET MANAGEMENT

17, cours Valmy - 92800 Puteaux - France.

e-mail: contact@lyxor.com.

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

PARTIES INVOLVED

MANAGEMENT COMPANY

LYXOR INTERNATIONAL ASSET MANAGEMENT

Public limited company ("société anonyme") with an executive board and supervisory board.

Basket management company approved by the Autorité des Marchés Financiers on 15 April 2004 as number GP 04 024.

Registered office: 17, cours Valmy - 92800 Puteaux - France

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

ADMINISTRATIVE AGENT, CUSTODIAN BANK, REGISTRAR

SOCIETE GENERALE

Credit institution created on 8 May 1864, date of the authorisation decree signed by Napoleon III.

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

Postal address: 50, boulevard Haussmann - 75431 Paris Cedex 09 - France

Postal address of the registrar: 32 rue du Champ de Tir - 44000 Nantes - France

STATUTORY AUDITORS

ERNST & YOUNG AND OTHERS

Simplified public limited company ("Société anonyme simplifiée").

Registered office: 41, rue Ybry - 92576 Neuilly-sur-Seine Cedex - France

Signatory: Philippe PEUCH-LESTRADE

MARKETING AGENT

SOCIETE GENERALE (under the Adequity brand)

Credit institution created on 8 May 1864, date of the authorisation decree signed by Napoleon III.

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

Postal address: 50, bld Haussmann - F-75009 PARIS

REPRESENTATIVES

Lyxor International Asset Management will alone handle the Fund's financial and administrative affairs without any delegation to third parties, except for portfolio accounting services. Responsibility for portfolio accounting is delegated to:

EURO-NAV

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

The services provided by Euro-NAV to Lyxor International Asset Management consist in providing it with accounting assistance for the Fund or securities portfolio, and more particularly in calculating the net asset value and providing the design for brochures, annual reports and Banque de France statistics.

ADVISORS

None.

OPERATING AND MANAGEMENT PROCEDURES

GENERAL CHARACTERISTICS

CHARACTERISTICS OF THE UNITS

The liability register is held by the administrative agent.

Each unitholder 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.

The units are divided into thousandths of units, known as unit fractions.

FINANCIAL YEAR-END

Last day of calculation of the net asset value of the month of December.

First year-end date: the last day of calculation of the net asset value of the month of December 2008.

INFORMATION ABOUT THE TAX REGIME

Investors' attention is drawn to the fact that the following information is only a general summary of the tax regime applicable to investment in a French FCP under current legislation in France. Investors are therefore advised to consider their specific situation with their usual tax advisor.

1. Fund

In France, the co-ownership structure of FCPs means that they fall outside the scope of corporation tax; they therefore benefit from a certain level of 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. Unitholders

2.1 Unitholders resident in France

Capital gains or losses realised by the Fund, income distributed by the Fund and capital gains or losses recorded by the unitholder are subject to applicable taxation.

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

2.2 Unitholders resident outside of France

Subject to the applicable tax treaties, income distributed by the Fund may, if applicable, be subject to a standard deduction at source or withholding tax in France.

In accordance with article 244 bis C of the French Tax Code, capital gains on the purchase/disposal of Fund units are not taxable in France.

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

SPECIFIC INFORMATION

CLASSIFICATION

Formula fund.

GUARANTEE

Guarantee: no

Conditional capital protection.

INVESTMENT OBJECTIVE

The investment objective of the Optimiz Best Timing 7.5% Fund ("the Fund") is to participate in the changes in a selection of 40 international equities over 10 years ("the Basket").

Each year, these equities undergo a selection process based on their performance since the origin. The reference point that forms the original value for each equity is the result of the Best Timing 7.5% mechanism. This selection process consists in retaining, out of the 40 equities, only the 20 equities displaying the least best performance since the origin. We shall call the equally-weighted basket thus constituted as the "Reference Basket". The composition of the Reference Basket can be different each year.

Moreover, the product is accompanied by an early redemption mechanism, that is activated automatically under certain conditions.

Full redemption for the product over the period of the formula is described hereinbelow. It includes an annual distribution, and a redemption at maturity:

a) Annual distributions

During the first two years, the unitholder, for each unit, receives a fixed Annual Distribution of 7.5% of the Reference Net Asset Value, or the Net Asset Value of 21 December 2007, or 100 euros.

Starting with the third year, as long as the Performance of the Reference Basket since the origin is less than the predefined activation threshold for each year, the unitholder receives an Annual Distribution (if it is positive) equal to 7.5% + 20% of the performance (positive or negative), of the Reference Basket since the origin.

b) Best Timing 7.5% Mechanism

The Fund has an optimisation mechanism of the reference price of each equity aiming to protect the unitholder in the event of negative performance during the 3 quarters following the launch date.

The Value of the Basket of the 40 Equities is calculated on 4 Initial Evaluation Dates during the first year. The Minimum Value of the Basket is determined as the smallest of these 4 Values of the Basket. The Initial Evaluation Date on which the Minimum Value of the Basket is calculated will be deemed as being the Initial Observation Date. This will be the reference point for all of the calculations.

c) Early redemption

The Fund is accompanied by an early redemption mechanism, that is activated automatically under certain conditions.

Indeed, starting from the annual observation date of year 3 (included) and until that of year 9 (included), when the Value of the Reference Basket since the origin has not dropped more than the predefined activation threshold for each year as follows:

Year n	Annual activation threshold
Year 3	5%
Year 4	10%
Year 5	15%
Year 6	20%
Year 7	25%
Year 8	30%
Year 9	35%

thus, on this annual observation date, an early redemption is triggered with full recovery of the initially invested capital (excluding subscription commissions). The unitholder then receives, per unit held, the Reference Net Asset Value multiplied by the higher of the two following values:

- 100% of the Value of the Reference Basket on this annual observation date;
- 100% + 7.5% multiplied by the number of years elapsed since year 3 included

The unitholder therefore does not receive the Annual Distribution for this Annual Observation Date.

Between the early redemption date and 28 December 2017, the unitholder has the possibility to retain his units, which will be invested at a rate close to the money market rate. During this period of monetary investment, the unitholder also has the possibility of repurchasing his units without fees.

d) Redemption at maturity of year 10

If there has been no early redemption, there are two possibilities at the end of year 10:

- If the value of the Reference Basket for year 10 has dropped more than 40% compared to its Value on the Initial Observation Date, the unitholder receives, per unit, 100% of the value of the Reference Basket for year 10;
- Otherwise, the unitholder receives, per unit, 160% or the Value of the Reference Basket for year 10, whichever is greater.

Subscribers' attention is drawn to the fact that the capital invested in this support is not guaranteed at maturity. The distributions paid during the course of the Fund plus the amount paid at maturity may not be enough to repay the capital that was initially invested. From an economic standpoint, the distributions during the life of the Fund do not form a yield that is based on the initial investment, but are similar to partial early repayments of the capital

The 40 equities that initially comprise the Basket are as follows:

Asset's name	Reuters Code	Country	Sector
8604.T	Nomura Holdings Inc	Japan	Financials
5401.T	Nippon Steel Corp	Japan	Materials
JDSU.OQ	JDS Uniphase Corp	United States	Information Technology
6702.T	Fujitsu Ltd	Japan	Information Technology
8058.T	Mitsubishi Corp	Japan	Industrials
9531.T	Tokyo Gas Co Ltd	Japan	Utilities
6764.T	Sanyo Electric Co Ltd	Japan	Consumer Discretionary
7201.T	Nissan Motor Co Ltd	Japan	Consumer Discretionary
RHA.PA	Rhodia SA	France	Materials
2503.T	Kirin Holdings Co Ltd	Japan	Consumer Staples
ISPA.AS	Arcelor Mittal	Netherlands	Materials
FTE.PA	France Telecom SA	France	Telecommunication Services
MS.MI	Mediaset SpA	Italy	Consumer Discretionary
EAD.PA	European Aeronautic Defence and Space Co NV	Netherlands	Industrials
SGEF.PA	Vinci SA	France	Industrials
DYN.N	Dynegy Inc	United States	Utilities
AMZN.OQ	Amazon.Com Inc	United States	Consumer Discretionary
VLOF.PA	Valeo SA	France	Consumer Discretionary
CAPP.PA	Cap Gemini SA	France	Information Technology
CAGR.PA	Credit Agricole SA	France	Financials
RENA.PA	Renault SA	France	Consumer Discretionary
005490.KS	POSCO	South Korea	Materials
GAS.MC	Gas Natural SDG SA	Spain	Utilities
ISP.MI	Intesa Sanpaolo SpA	Italy	Financials
TMS.PA	Thomson	France	Consumer Discretionary
DPW.Gn.DE	Deutsche Post AG	Germany	Industrials
AXAF.PA	AXA SA	France	Financials
AZN.ST	AstraZeneca PLC	United Kingdom	Health Care
IBE.MC	Iberdrola SA	Spain	Utilities
STERV.HE	Stora Enso Oyj	Finland	Materials
VIV.PA	Vivendi	France	Consumer Discretionary
RWEG.DE	RWE AG	Germany	Utilities
RTO.L	Rentokil Initial PLC	United Kingdom	Industrials
AAPL.OQ	Apple Inc	United States	Information Technology
NT.N	Nortel Networks Corp	Canada	Information Technology
Hmb.ST	Hennes & Mauritz AB	Sweden	Consumer Discretionary
MO.N	Altria Group Inc	United States	Consumer Staples
AVP.N	Avon Products Inc	United States	Consumer Staples
WB.N	Wachovia Corp	United States	Financials
ELUXb.ST	Electrolux AB	Sweden	Consumer Discretionary

ECONOMIC DESCRIPTION OF THE FUND

The unitholder is favouring a product that combines yield and indexing on the international equities markets, and this, as compensation for taking a risk on the capital initially invested and for renouncing the distribution of dividends for the equities in the basket of international equities.

The Fund is above all a fund with exposure to a diversified basket of 40 international equities. The unitholder is above all expecting the markets to provide good performance over the next 10 years and, more particularly, over the next 3 years (due to the early maturity mechanism).

Then, this is a fund that is indexed not on the basket itself, but on a basket comprised of 20 equities from among the 40 international equities in the Basket that have had the least performance on the annual observation dates. The unitholder is therefore expecting that the 20 equities with the least best performance from among the 40 are going to resist correctly.

Summary of advantages and disadvantages of the Fund for the unitholder

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> The Fund pays an annual distribution equal to 7.5% + 20% of the performance of the Reference Basket if the performance since the origin of the Reference Basket has not dropped more than 35%. Moreover, the first two payments are guaranteed equal to 7.5%. Triggering of an early redemption when the performance of the Reference Basket has not dropped more than the annual threshold on an annual observation date starting from year 3. The unitholder thus benefits at least from the repayment of his capital + 7.5% per year elapsed after the first two years. The annual threshold for triggering the early repayment is tapered: it goes down 5% year after year and reaches 35% in the 9th year. The initial price of the Basket is retained as the lowest value of the Basket during the first 4 Observation Dates. 	<ul style="list-style-type: none"> The Reference Basket which serves to index the Fund is comprised of 20 equities out of the 40 having the least best performance since the origin. No guarantee in terms of capital: the redemption value of the Fund can be less than the initially invested capital. The possible triggering of early repayment, which guarantees good yield for the unitholder, is conditional and depends on how the Reference Basket changes. Therefore the unitholder does not know the maturity date of the Fund in advance. The distributed amounts are similar to early and even partial repayments of the capital. The unitholder renounces distribution of dividends for the equities in the basket of international equities.

BENCHMARK INDEX

Due to its investment objective and strategy, there is no relevant benchmark index for this Fund.

However, simulations carried out on historical data (presented in the summary prospectus) allow the behaviour of the formula to be assessed during the various market phases over the last few years and to compare it with the risk-free rate.

INVESTMENT STRATEGY

The Fund will invest primarily in assets other than securities, debt securities and instruments in the money market.

1. Strategy employed

The Fund will invest primarily in assets other than securities, debt securities and instruments in the money market.

As such, in order to fulfil the investment objective while optimising the operational and financial cost of management, the Fund will make use of two types of assets:

- balance sheet assets: comprised of UCITS, securities, deposits. These assets will allow the Fund's investment diversification ratios to be satisfied;
- off-balance sheet assets: generally these assets consist of a forward financial instrument which makes it possible to precisely reach the investment objective.

In this case, the Fund manager intends to use primarily the following assets:

2. Balance sheet assets (excluding embedded derivatives)

- UCITS compliant with European directive 85/611/EEC in the limit of 100% of the net assets;

- UCITS operating under French law that are non-compliant with European directive 85/611/EC up to the limit of the regulations, authorised by the AMF or a lightened procedure.

The UCITS held as assets by the Fund will primarily be UCITS managed by Lyxor International Asset Management or an associated company in which the management fees and subscription and redemption commissions will not exceed a ceiling set at 0.50% inc. taxes per year of the net asset value.

3. Off-balance sheet assets (derivatives)

The Fund will use OTC equity-linked swaps exchanging the value of the Fund's UCITS assets (or any other financial instrument held as an asset by the Fund, where applicable) for the product of i) the market value of the guarantee (such as described in the section "Guarantee or Protection" hereinbelow) and ii) the number of Fund units. These instruments could exceed 100% of the Fund's net assets.

As part of the future optimisation of the Fund's management, the manager reserves the right to use other instruments in accordance with the regulations in order to achieve its investment objective, such as:

- forward financial instruments other than equity-linked swaps.

4. Securities with embedded derivatives

The Fund reserves the right to make use of debt securities with embedded derivatives.

5. Deposits

The Fund will have recourse to deposits with lending institutions in order to optimise its cash management.

6. Cash borrowing

For up to 10% of the net asset value, the Fund may arrange borrowings, in particular to optimise its cash management.

7. Temporary purchases and disposals of securities

As part of the future optimisation of the Fund's management, the manager reserves the right to use other instruments in accordance with the regulations in order to achieve its investment objective, such as:

- reverse repurchase agreements in exchange for cash, as governed by articles L.432-12 et seq. of the French Monetary and Financial Code, for up to 100% of the net asset value;
- repurchase agreements in exchange for cash, as governed by articles L.432-12 et seq. of the French Monetary and Financial Code, for up to 10% of net asset value;
- securities lending/borrowing for up to 10% of the net asset value.

Any temporary purchases or disposals of securities and securities lending or borrowing will be carried out in accordance with market conditions.

If one of the conditions for triggering the early redemption mechanism is fulfilled (the Effective Maturity Date of the Fund occurring on one of the Annual Early Repayment Dates), the Fund will then be transformed into a money UCITS, once approved by the AMF: starting from the Effective Maturity Date (included) and up to 28 December 2017 (included), the net asset value of the Fund will progress on a regular basis according to a rate close to the money market rate less management fees.

Special information will be sent to unitholders on that occasion.

RISK PROFILE

Unitholders' money will be invested primarily in financial instruments selected by the management company. These instruments will fluctuate in line with the markets.

Warning

The OPTIMIZ BEST TIMING 7.5% Fund is constructed in the perspective of an investment for the entire term of the fund. Therefore, it is strongly recommended to purchase units in this fund only if you intend to retain them until their scheduled maturity.

If you resell your units before maturity (and therefore based on the guaranteed net asset value of 28 December 2017 or of one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016 according to the activation date of the maturity of the Fund), the price that you will be offered will depend on the market parameters on that day (and less redemption fees). It can vary greatly (lower or higher) from the amount that results from applying the announced formula.

Risks linked to the classification

The classification of the Fund requires it to comply with the formula on a strict basis. As the repayment formula is predetermined, the manager cannot make any investment decisions other than for the purpose of achieving the formula, and this, independent of new expectations in the market.

Risks linked to the characteristics of the formula

Through the Fund, the unitholder is exposed to the risks linked to the characteristics of the formula which have the following disadvantages:

- The Reference Basket which serves to index the Fund is comprised of 20 equities out of the 40 having the least best performance since the origin.
- No guarantee in terms of capital: the redemption value of the Fund can be less than the initially invested capital.
- The possible triggering of early repayment, which guarantees good yield for the unitholder, is conditional and depends on how the Reference Basket changes. Therefore the unitholder does not know the maturity date of the Fund in advance.
- The distributed amounts are similar to early and even partial repayments of the capital.
- The unitholder renounces distribution of dividends for the equities in the basket of international equities.

Counterparty risks

The Fund shall be exposed to the counterparty risk resulting from the use of OTC forward financial instruments contracted with a lending institution. The Fund is therefore exposed to the risk that the lending institution may not be able to honour its commitments with regard to these instruments. For each counterparty, the counterparty risk resulting from the use of these forward financial instruments is limited at any time to 10% of the Fund's net asset value.

Risks linked to the absence of a call to tender

The management company has not made a commitment to a procedure that is formal, traceable and controllable concerning the competition of the counterparty of the OTC forward financial instrument allowing the Fund to achieve its investment objective. This counterparty is Société Générale.

Market risks

Outside of the dates calling the guarantee into play, the net asset value is subjected to changes in the markets and to the risks that are inherent with any investment. The Fund's net asset value can change upwards or downwards.

As the life of the formula is approximately 10 years, holders of units in the fund must consider their investment as a 10-year investment and ensure that the length of the investment suits their needs and their financial situation.

Risks linked to inflation

Through the Fund, investors are exposed to the risk of depreciating money.

TERMS OF THE GUARANTEE AND DESCRIPTION OF THE FORMULA

Detailed description of the formula

Between 14 September 2007 and 21 December 2007, the net asset value grew regularly at a rate of 4.65% and reached 100 Euros on 21 December 2007. We are taking the case of an initial investment (excluding subscription commission) made on the basis of the net asset value of 21 December 2007, which is the Reference Net Asset Value ("RefNAV").

The start of indexing is scheduled for 21 December 2007.

a) The Basket:

We calculate on each Initial Evaluation Date (i) (i ranging from 1 to 4), the **Value of the Basket** (i) comprised of the 40 international equities as:

$$Valuebasket(i) = \frac{1}{40} \sum_{k=1}^{40} \left(\frac{S_i^k}{S_1^k} \right)$$

Initial Evaluation Date (i), with i from 1 to 4: 21 December 2007, 21 April 2008, 21 August 2008, 22 December 2008 or if one of these days is not a Trading Day, the next Trading Day.

S_i^k meaning the closing price on the related stock exchange of the Equity k comprising the Basket (k ranging from 1 to 40), observed on the Initial Evaluation Date (i) (i ranging from 1 to 4).

b) The Reference Basket with the Best Timing 7.5% mechanism

The **Minimum Value of the Basket** is defined as being equal to the smallest of the Values of the Basket (n) on the 4 Initial Evaluation Dates (n) (n ranging from 1 to 4)

$$ValuebasketMin = \min_{n \in \{1,2,3,4\}} Valuebasket(n)$$

The **Initial Observation Date** is thus defined as being equal to:

- Initial Evaluation Date (4) if the Value of the Basket (4) = MinBasketValue
- Initial Evaluation Date (3) if the Value of the Basket (3) = MinBasketValue
- Initial Evaluation Date (2) if the Value of the Basket (2) = MinBasketValue
- Initial Evaluation Date (1) otherwise

At each of the 10 Annual Observation Dates, we retain the performance since the origin of the 20 international equities out of the 40 that have performed the least on the Annual Observation Date in question. This thus constitutes the **Reference Basket**.

The Performance of an Equity k of the Reference Basket on the Annual Observation Date n is equal to $\frac{S_n^k}{S_{\min}^k}$ $1 \leq k \leq 20, 1 \leq n \leq 8$

The **Value of the Reference Basket (n)**, equal to the arithmetic mean of the performance of these 20 Equities compared to the Initial Observation Date, is then calculated for each Annual Observation Date:

$$ValuebasketRéf(n) = \frac{1}{20} \sum_{k=1}^{20} \left(\frac{S_n^k}{S_{\min}^k} \right)$$

S_{\min}^k being the value of the equity (k) (k ranging from 1 to 40) on the Initial Observation Date.

From this we deduce the **Performance of the Reference Basket** on the Annual Observation Date n ("Perf Ref Basket (n)"), calculated according to the following formula:
Perf Ref Basket (n) = Value Ref Basket(n) – 100%

The Performance of the Reference Basket may be positive or negative.

c) Annual Distributions

At each Annual Distribution Payment Date n, the unitholder receives an Annual Distribution indexed on the Reference Basket, calculated in the following manner:

During the first two years, the unitholder receives, on the Annual Distribution Payment Dates following the Annual Observation Date in question for the first two years, an Annual Distribution equal to 7.5% of the Reference Net Asset Value.

During the next 8 years:

The unitholder receives per unit, on each Distribution Payment Date following the Annual Observation Date in question, an Annual Distribution equal to the product of the Reference Net Asset Value and the greater of 0% and the sum of:

- (i) 7.5%;
- (ii) and 20% of the Performance of the Reference Basket on the Annual Observation Date in question.

Therefore the Annual Distribution (n) = RefNAV \times Max [0%; 7.5% + 20% \times Performance of the Reference Basket (n)], with $3 \leq n \leq 10$.

d) Early redemption

Starting from year 3, when on one of the Annual Observation Dates of the year k, with $3 \leq k \leq 10$, the Performance of the Reference Basket has not dropped more than the predefined activation threshold for each year a mechanism of early maturity is activated. In this case, the unitholder receives on the Annual Early Payment Date n, per unit held, the Reference Net Asset Value multiplied by the greater of the 2 following amounts:

- (i) 100% of the Value of the Reference Basket on this Annual Observation Date
- (ii) 100% + 7.5% multiplied by the number of years elapsed since year 3 included;

In this case, the unitholder does not receive the Annual Distribution.

Year n	Annual activation threshold
Year 3	5%
Year 4	10%
Year 5	15%
Year 6	20%
Year 7	25%
Year 8	30%
Year 9	35%

Between the early redemption date and 28 December 2017, the unitholder has the possibility to retain his units, which will be invested at a rate close to the money market rate. During this period of monetary investment, the unitholder also has the possibility of repurchasing his units without fees.

e) Redemption in year 10

If no early redemption has occurred, the unitholder receives per unit at the 10-year maturity (28 December 2017):

- (iii) 100% of the Value of the Reference Basket (10) if the Value of the Reference Basket on the Annual Observation Date (10) has dropped more than 40% compared to its value on the Initial Observation Date
- (iv) the greater of 160% and the Value of the Reference Basket (10) otherwise.

f) Definitions

- **Annual Observation Dates n (n ranging from 1 to 10):** 21 December 2008, 21 December 2009, 21 December 2007, 21 December 2010, 21 December 2011, 21 December 2012, 21 December 2013, 21 December 2014, 21 December 2015, 21 December 2016, 21 December 2017 or if one of these days is not a Trading Day, the next Trading Day;

- **Annual Distribution Payment Dates n (n ranging from 1 to 10):** 28 December 2008, 28 December 2009, 28 December 2010, 28 December 2011, 28 December 2012, 28 December 2013, 28 December 2014, 28 December 2015, 28 December 2016, 28 December 2017, or if one of these days is not a Trading Day, the next Trading Day.

- **Annual Early Payment Dates n (n ranging from 3 to 9):** 28 December 2010, 28 December 2011, 28 December 2012, 28 December 2013, 28 December 2014, 28 December 2015, 28 December 2016 or if one of these days is not a Trading Day, the next Trading Day

- **Trading Day:** means, for each Equity, any day on which the stock exchange on which the Equity is listed is open and operating as usual.

Events affecting the Equities in the Basket

Subscribers' attention is drawn to the following points:

(i) An Equity in the Basket can be replaced, by the management company, with another equity if one of the following events were to affect the Equity:

1. the announcement of a bid on the Equity;
2. the announcement of a merger of the issuer of the Equity with or by a third party;
3. the announcement of a merger of the issuer of the Equity with or by the issuer of another Equity contained in the Basket;
4. the announcement of a spin-off of the issuer of the Equity giving rise to the creation of new equities;
5. an acquisition of holdings exceeding 20% in the capital of the issuer of the Equity by a third party or by the issuer of another Equity contained in the Basket;
6. the final interruption of the listing of the Equity on its or on one of its main listing markets;
7. a change in the sub-fund of the listing or the listing of the Equity being transferred to another stock market (except when it continues in a wide and liquid market and if the method of publication of its price resulting from the change or transfer is recognised as being satisfactory by the Autorité des Marchés Financiers);
8. the liquidation or nationalisation of the issuer of the Equity;
9. the initiation of bankruptcy proceedings concerning the issuer of the Equity or any other equivalent procedure;
10. voluntary dissolution of the issuer of the Equity;
11. any other event of the same nature that can result in similar effects,

and if one of these events arises before 28 December 2017 or one of the early maturity dates.

(ii) An Equity can be replaced by the management company, only with, according to the case:

- v) an equity listed on the stock exchange to which the holder of an Equity has rights to subsequent to the occurrence of one of the aforementioned events with the condition that it continues in a wide and liquid market and that the method of publication of its price is recognised as being satisfactory by the Autorité des Marchés Financiers; or
- vi) another equity that (a) is not a part of the Basket, and (b) (i) belonging to the same sector of economic activity at the Equity that is being replaced, or (ii) for which the issuer has a credit rating equivalent to that of the issuer of the Equity that is being replaced, or (iii) which has characteristics similar to the Equity that is being replaced in terms of volatility, correlation with the other equities in the Basket and dividends and (c) continues in a wide and liquid market and that the method of publication of its price is recognised as being satisfactory by the Autorité des Marchés Financiers.

(iii) Unitholders will be informed of the replacing of one Equity with another equity according to the following methods:

- v) display at the registered office of the management company; and
- vi) periodical information provided by the management company or the person ensuring marketing for Fund units.

GUARANTEE OR PROTECTION

GUARANTOR INSTITUTION SOCIETE GENERALE.

The guarantee provided by Société Générale to the Fund concerns the final net asset value, which is that of 28 December 2017 or one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016 according to the activation date of the maturity of the Fund.

This guaranteed net asset value is defined as being that which allows any unitholder that has subscribed their units in the Fund based on the net asset value of 28 December 2007 and requesting the repurchase of these same units based on the net asset value on 28 December 2017 or on of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016 according to the activation date of the maturity of the Fund, to benefit:

- i) from Annual Distributions paid on the Annual Distribution Payment Dates; and
- ii) from a Redemption Value paid at the effective maturity of the Fund

Annual Distributions and the Redemption Value are calculated according to the following method:

a) The Basket:

We calculate on each Initial Evaluation Date (i) (i ranging from 1 to 4), the **Value of the Basket** (i) comprised of the 40 international equities as:

$$Valuebasket(i) = \frac{1}{40} \sum_{k=1}^{40} \left(\frac{S_i^k}{S_1^k} \right)$$

Initial Evaluation Date (i), with i from 1 to 4: 21 December 2007, 21 April 2008, 21 August 2008, 22 December 2008 or if one of these days is not a Trading Day, the next Trading Day.

S_i^k meaning the closing price on the related stock exchange of the Equity k comprising the Basket (k ranging from 1 to 40), observed on the Initial Evaluation Date (i) (i ranging from 1 to 4).

b) The Reference Basket with the Best Timing 7.5% mechanism

The **Minimum Value of the Basket** is defined as being equal to the smallest of the Values of the Basket (n) on the 4 Initial Evaluation Dates (n) (n ranging from 1 to 4)

$$ValuebasketMin = \min_{n \in \{1, 2, 3, 4\}} Valuebasket(n)$$

The **Initial Observation Date** is thus defined as being equal to:

- Initial Evaluation Date (4) if the Value of the Basket (4) = MinBasketValue
- Initial Evaluation Date (3) if the Value of the Basket (3) = MinBasketValue
- Initial Evaluation Date (2) if the Value of the Basket (2) = MinBasketValue
- Initial Evaluation Date (1) otherwise

At each of the 10 Annual Observation Dates, we retain the performance since the origin of the 20 international equities out of the 40 that have performed the least on the Annual Observation Date in question. This thus constitutes the **Reference Basket**.

The Performance of an Equity k of the Reference Basket on the Annual Observation Date n is equal to $\frac{S_n^k}{S_{\min}^k}$ $1 \leq k \leq 20, 1 \leq n \leq 8$

The **Value of the Reference Basket (n)**, equal to the arithmetic mean of the performance of these 20 Equities compared to the Initial Observation Date, is then calculated for each Annual Observation Date:

$$ValuebasketRéf(n) = \frac{1}{20} \sum_{k=1}^{20} \left(\frac{S_n^k}{S_{\min}^k} \right)$$

S_{\min}^k being the value of the equity (k) (k ranging from 1 to 40) on the Initial Observation Date.

From this we deduce the **Performance of the Reference Basket** on the Annual Observation Date n ("Perf Ref Basket (n)"), calculated according to the following formula:
Perf Ref Basket (n) = Value Ref Basket(n) – 100%

The Performance of the Reference Basket may be positive or negative.

c) Annual Distributions

At each Annual Distribution Payment Date n, the unitholder receives the Annual Distribution indexed on the Reference Basket, calculated in the following manner:

During the first two years, the unitholder receives, on the Annual Distribution Payment Dates following the Annual Observation Date in question for the first two years, an Annual Distribution equal to 7.5% of the Reference Net Asset Value.

During the next 8 years:

The unitholder receives per unit, on each Annual Distribution Payment Date following the Annual Observation Date in question, an Annual Distribution equal to the product of the Reference Net Asset Value and the greater of 0% and the sum of:

- (i) 7.5%;
- (ii) and 20% of the Performance of the Reference Basket on the Annual Observation Date in question.

Therefore the Annual Distribution (n) = RefNAV × Max [0%; 7.5% + 20% × Performance of the Reference Basket (n)], with $3 \leq n \leq 10$.

d) Early redemption

Starting from year 3, when on one of the Annual Observation Dates of the year k, with $3 \leq k \leq 10$, the Performance of the Reference Basket has not dropped more than the predefined activation threshold for each year a mechanism of early maturity is activated. In this case, the unitholder receives on the Annual Early Payment Date n, per unit held, the Reference Net Asset Value multiplied by the greater of the 2 following amounts:

- (i) 100% of the Value of the Reference Basket on this Annual Observation Date
- (ii) $100\% + 7.5\%$ multiplied by the number of years elapsed since year 3 included;

In this case, the unitholder does not receive the Annual Distribution.

Year n	Annual activation threshold
Year 3	5%
Year 4	10%
Year 5	15%
Year 6	20%
Year 7	25%
Year 8	30%
Year 9	35%

Between the early redemption date and 28 December 2017, the unitholder has the possibility to retain his units, which will be invested at a rate close to the money market rate. During this period of monetary investment, the unitholder also has the possibility of repurchasing his units without fees.

e) Redemption in year 10

If no early redemption has occurred, the unitholder receives per unit at the 10-year maturity (28 December 2017):

- (v) 100% of the Value of the Reference Basket (10) if the Value of the Reference Basket on the Annual Observation Date (10) has dropped more than 40% compared to its value on the Initial Observation Date
- (vi) the greater of 160% and the Value of the Reference Basket (10) otherwise.

f) Definitions

- **Annual Observation Dates n (n ranging from 1 to 10):** 21 December 2008, 21 December 2009, 21 December 2007, 21 December 2010, 21 December 2011, 21 December 2012, 21 December 2013, 21 December 2014, 21 December 2015, 21 December 2016, 21 December 2017 or if one of these days is not a Trading Day, the next Trading Day;

- **Annual Distribution Payment Dates n (n ranging from 1 to 10):** 28 December 2008, 28 December 2009, 28 December 2010, 28 December 2011, 28 December 2012, 28 December 2013, 28 December 2014, 28 December 2015, 28 December 2016, 28 December 2017, or if one of these days is not a Trading Day, the next Trading Day.

- **Annual Early Payment Dates n (n ranging from 3 to 9):** 28 December 2010, 28 December 2011, 28 December 2012, 28 December 2013, 28 December 2014, 28 December 2015, 28 December 2016, or if one of these days is not a Trading Day, the next Trading Day.

- **Trading Day:** means, for each Equity, any day on which the stock exchange on which the Equity is listed is open and operating as usual.

- The Reference Net Asset Value is the highest net asset value observed between 14 September 2007 (included) and 21 December 2007 (included), or the net asset value of 21 December 2007, or 100 Euros. During the subscription period from 14 September 2007 to 21 December 2007, the net asset value of the Fund will grow progressively at a rate of 4.65% and will attain 100 Euros on 21 December 2007.

- **Equity:** is an equity that is in the Basket;

- **Basket:** is the Basket comprised of the 40 Equities defined in the section "investment objective" of the detailed memorandum.

Unitholders that have subscribed to units in the Fund, regardless of the date of subscription of their units in the Fund, requesting the repurchase of these same units based on the net asset value on 28 December 2017 or on one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, according to the activation date of the maturity of the Fund, shall benefit from the Guaranteed Net Asset Value corresponding to this date.

Unitholders, regardless of the date of subscription of their units, requesting the repurchase of these same units based on a net asset value other than that on 28 December 2017 or on one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, according to the activation date of the maturity of the Fund, will not benefit from the Guaranteed Net Asset Value corresponding to one of these dates.

The management company will exercise the guarantee for the Fund. In the event that, on 28 December 2017 or on one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, according to the activation date of the maturity of the Fund, the Fund's net assets are not sufficient, Société Générale will pay the difference to the Fund in order to achieve the Guaranteed Net Asset Value for the date in question.

Outside of the dates calling the guarantee into play (28 December 2017, or 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, according to the activation date of the maturity of the Fund), the net asset value subjected to the changes in the markets may differ from the Guaranteed Net Asset Value of one of these dates.

The details on the guarantee commitment given by Société Générale to the Fund are set out in the detailed memorandum of the full prospectus.

This guarantee is provided in terms of the legal and regulatory texts in effect on the AMF approval date of the Fund. In the event of a change to these texts that would create new obligations for the fund and in particular and indirect or direct financial expense of a tax nature or other, Société Générale may reduce the amounts due in terms of the guarantee in light of these new obligations. In this case, Fund unitholders will be informed of this by the management company. Any modification to the guarantee is subject to prior approval of the Autorité des Marchés Financiers. Note that what happens at the maturity of the Fund is to be stated.

SUBSCRIBERS CONCERNED AND TYPICAL INVESTOR PROFILE

The Fund is open to any subscriber, and is primarily intended to be used as a support for life insurance policies. Investors subscribing to this Fund are seeking exposure to the 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, and their cash requirements at present and for the next ten years, as well as whether they wish to take risks or opt instead for a cautious investment approach. Investors are also advised to diversify their investments sufficiently so as not to be exposed solely to the risks of the Fund.

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

The life of the formula is approximately 10 years. Holders of units in the Fund must consider their investment as an investment over the length of the formula and ensure that the length of the investment suits their needs and their financial situation.

CALCULATION AND ALLOCATION OF INCOME

The management company reserves the right to distribute and/or accumulate all or part of the Fund's income.

The Fund will distribute to any unitholder of the Fund on the Distribution Payment Dates such as defined in the section "Description of the formula" the amount of the annual distributions defined in this same section.
Accounted for as collected coupons.

FREQUENCY OF INCOME DISTRIBUTIONS

On the Annual Distribution Payment Dates.

CHARACTERISTICS OF THE UNITS

Subscriptions are made in thousandths of units or by amount.
Redemptions are made in thousandths of units.

SUBSCRIPTION AND REDEMPTION PROCEDURES

Subscription and redemption orders are received and centralised by the Société Générale Securities and Stock Market Department no later than 1 p.m. (Paris time) for execution based on the net asset value published on this day, and will be calculated the following business day by Lyxor International Asset Management.
The net asset value is calculated daily, except for public holidays according to the French Labour Code as well as the calendar of closings for the Paris Bourse.
The net asset value will be published on the internet site of Lyxor International Asset Management: www.lyxor.com.

CHARGES AND COMMISSION FEES

Subscription and redemption fees

Subscription and redemption fees are added to the subscription price paid by the unitholder or deducted from the redemption price. Commission fees paid to the Fund are to compensate for the charges incurred by the Fund in buying or selling the entrusted assets. Any remaining commission fees not paid to the Fund go to the management company, marketing agent, etc.

Fees payable by the investor, charged upon subscription or redemption	Base	Rate
Subscription fee not allocated to the Fund	Net asset value × number of units	Until 21 December 2007 included: 4.50% maximum of the subscription net asset value After 21 December 2007: 4.50% maximum, including 2% maximum allocated to the management company
Subscription fee allocated to the Fund	Net asset value × number of units	None
Redemption fee not allocated to the Fund	Net asset value × number of units	None
Redemption fee allocated to the Fund	Net asset value × number of units	None

Operating and management costs

These fees cover all costs charged directly to the Fund, with the exception of transaction fees. Transaction fees include intermediation expenses (brokerage, stock exchange taxes etc.) and transfer fees, if applicable, which may be levied by the custodian and the management company. The following fees may also be charged in addition to operating and management fees:
- outperformance fees. These are paid to the management company if the Fund exceeds its objectives. They are therefore charged to the Fund;
- transfer fees charged to the Fund;
- a share of income from the temporary acquisition and sale of securities.
For more details about fees charged to the Fund, please refer to the Fund Statistics section of the summary prospectus.

Fees charged to the Fund	Base	Rate
Operating and management fees incl. taxes ⁽¹⁾	Net assets	1.50% p.a. maximum
Outperformance fee	Net assets	None
Movement commissions	Charge on each transaction	None

⁽¹⁾ including all fees excluding transaction fees, outperformance fees and fees relating to investments in UCITS or investment funds.

MAXIMUM MANAGEMENT FEES FOR UCITS HELD AS AN ASSET BY THE FUND

The Fund will invest in UCITS for which the management fees do not exceed 0.50% inc. taxes of the net assets per year.

COMMISSIONS FOR SUBSCRIPTION AND REDEMPTION OF UCITS HELD AS AN ASSET BY THE FUND

The Fund will invest in UCITS for which no commission for subscription or redemption will be collected.

TAX REGIME

The Fund can also be used for unit-linked life insurance policies.

Depending on unitholders' tax regime, any capital gains and income deriving from ownership of units in the Fund may be subject to tax. Investors are advised to find out more regarding this issue from the Fund's marketing agent.

COMMERCIAL INFORMATION

Fund units will be distributed primarily in France, and the main purpose is to be used as a support for life insurance policies.
In this case, the marketing of the Fund is mutualised between different insurers, with the support of Société Générale under the Adequity brand.
Purchase or cancellation requests for these contracts are centralised by the insurers and give rise to a global order for subscriptions and redemptions of Fund units for each insurer.
The distribution of information concerning the Fund to the insured will be carried out by the various insurers via the mandatory periodical information to which they are bound.

INVESTMENT RULES

The Fund will comply with the applicable regulatory ratios and may use the provisions stipulated in articles R.214-6, R.214-7 and R.214-25 of the French Monetary and Financial Code – Regulatory Section

A straight-line method is used in calculating commitments.

ASSET VALUATION AND ACCOUNTING RULES

A. VALUATION RULES

The Fund's assets are valued in accordance with the applicable laws and regulations, more specifically the rules set out in CRC Regulation no. 2003-02 of 2 October 2003 relating to the chart of accounts for UCITS (1st part).

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 specific methods:

- negotiable debt securities with a residual term to maturity of less than three months on acquisition are valued at their purchase price. Any discount or premium to redemption value is amortised on a straight-line basis over the residual term of the instrument. The management company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- negotiable debt securities with a residual term to maturity of more than three months on acquisition, but with a residual term to maturity at the accounting date on which net asset value is calculated of three months or less are valued at the last known market price. Any discount or premium to redemption value is amortised on a straight-line basis over the residual term of the instrument. The management company nevertheless reserves the right to value these instruments at their market price if they are particularly sensitive to any market risks (interest rate risk, etc.). The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer;
- negotiable debt securities with a residual term to maturity of more than three months at the calculation date of net asset value are valued at their market price. The rate applied is that of issues of equivalent securities adjusted by the risk margin relating to the issuer.

Financial futures traded on organised markets are valued at the clearing price on the day prior to the calculation of the net asset value. Options traded on organised markets are valued at their market price on the day prior to the calculation of the net asset value. Futures and options traded over the counter are valued at the price given by the counterparty of the financial instrument. The management company monitors these prices independently.

Deposits are valued at their nominal value plus accrued interest.

Warrants, treasury bills, promissory notes and mortgage notes are valued at their probable trading value by the management company.

Temporary purchases and disposals of securities are valued at the market price.

Units and shares 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.

Units and shares in investment funds not registered under French law are valued at the last known net asset value per unit on the day the Fund's net asset value is calculated.

Financial instruments traded on a regulated market for which the price has not been observed or the price of which has been corrected are valued at their probable trading value by the management company.

The exchange rates used to value financial instruments denominated in currencies other than the Fund's reference currency are the exchange rates provided by the European Central Bank on the day prior to that on which the Fund's net asset value is calculated.

B. ACCOUNTING METHOD: 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 collected dividends method.

D. DIVIDEND POLICY

The management company reserves the right to distribute and/or accumulate all or part of the Fund's income.

The Fund will distribute to any unitholder of the Fund on the Distribution Payment Dates such as defined in the section "Description of the formula" the amount of the annual distributions defined in this same section.

Accounted for as collected coupons.

E. ACCOUNTING CURRENCY

The Fund's accounts are kept in euros.

TITLE 1

ASSETS AND UNITS

Article 1 - Co-ownership units

The rights of the co-owners are stated in terms of units, with each unit corresponding to an equal portion of the Fund's assets. Each unitholder has a co-ownership right to the Fund's assets proportional to the number of units held.

The length of the Fund begins on the date it is approved by the Autorité des Marchés Financiers and will end 3 business days in Paris following 28 December 2017 or one of the following dates: 28 December 2010, 28 December 2011, 28 December 2012, 30 December 2013, 29 December 2014, 28 December 2015, 28 December 2016, (all of these dates being included) according to the activation date of the maturity of the Fund, except in the event of early dissolution or extension as indicated in these internal regulations.

The Fund reserves the right to combine or divide units.

The units may be divided, if so decided by the management company's executive board, into 100-thousandths known as unit fractions.

The provisions relating to the issue and redemption of units apply to unit fractions with a value proportional to that of the share they represent. All other provisions relating to units apply to unit fractions without the need to stipulate this, unless indicated otherwise.

Finally, the management company's executive board may, at its sole discretion, carry out the division of units through the creation of new units that are allocated to unitholders in exchange for old units.

Article 2 - Minimum amount of assets

The minimum amount of assets in the Fund when it is created is 400,000 euros.

Units may not be redeemed if the Fund's asset value falls below 300,000 euros. In this case, unless the asset value reverts above this level in the meantime, the management company will take the necessary provisions to merge or dissolve the Fund within 30 days.

Article 3 - Issue and redemption of units

Units are issued at any time at the request of unitholders 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 summary prospectus and the detailed memorandum of the full prospectus.

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

Subscriptions must be paid up in full on the day net asset value is calculated. They may be made in cash and/or through the transfer of securities. The management company reserves the right to refuse the proposed securities and, for this purpose, has a period of 7 days starting from the deposit to render a decision. If accepted, the transferred securities are evaluated according to the rules set forth in Article 4 and the subscription is carried out based on the first net asset value following acceptance of the securities concerned.

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

Except in the case of inheritance or an inter-vivos distribution, the disposal or transfer of units between unitholders or from unitholders to a third party is equivalent to a redemption followed by subscription. If this involves a third party, if applicable, the beneficiary must supplement the amount of the disposal or transfer to bring it up to the minimum subscription amount as required in the summary prospectus and the full prospectus.

Pursuant to article L.214-30 of the French Monetary and Financial Code, redemption of units by the Fund and the issuance of new units may be suspended provisionally by the management company if required by exceptional circumstances and in the interests of unitholders, as well as in accordance with the provisions mentioned in the full prospectus.

If the Fund's net asset value falls below the level laid down in the regulations, no units may be redeemed.

Article 4 - Calculation of net asset value

The net asset value of the units is calculated using the valuation rules set out in the detailed memorandum of the full prospectus.

Contributions in kind can only contain securities, shares or contracts admitted as components of UCITS; they are evaluated in compliance with the applicable valuation rules in calculating the net asset value.

TITLE 2

FUND OPERATION

Article 5 - Management company: LYXOR INTERNATIONAL ASSET MANAGEMENT

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

Under all circumstances, the management company acts on behalf of unitholders and is the only party able to exercise voting rights attached to shares held by the Fund.

Subscribers' attention is drawn to the following point: the events affecting the Equities are described in the detailed memorandum of the full prospectus.

Article 5b - Operating rules

The Fund will be invested constantly primarily in one or more regulated fully-paid equities markets, issued in one or more countries of the Euro zone, including the French market.

Instruments and deposits eligible for inclusion in the Fund's assets and the investment rules are set out in the detailed memorandum of the full prospectus.

Article 6 - Custodian bank: SOCIETE GENERALE

The custodian bank holds the Fund's assets and handles the management company's orders to buy and sell securities and those relating to the exercise of subscription and allocation rights attached to shares held by the Fund. It handles all receipts and payments.

The custodian bank must ensure that the management company's decisions are lawful. If necessary, it must take all the protective measures it deems appropriate. In the event of a dispute with the management company, it must inform the Autorité des Marchés Financiers.

Article 7 - Statutory auditor

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

He performs the procedures and controls required by law and certifies, wherever necessary, that the financial statements and accounting information provided in the management report provide a true and fair view.

The statutory auditor may be reappointed.

He informs the Autorité des Marchés Financiers, as well as the management company of the Fund, of any irregularities or inaccuracies identified in the course of his audit.

Valuations of assets and the exchange ratios determined for conversions, mergers or demergers are verified by the statutory auditor.

He assesses all contributions in kind and is responsible for drawing up a report on the valuation thereof and payments made in consideration.

He confirms the accuracy of the breakdown of assets and other information prior to publication.

The statutory auditor's fees are set under a joint agreement with the management company's executive board on the basis of a work schedule defining the measures considered necessary.

In the event of liquidation, he values the amount of assets and prepares a report on the conditions of the liquidation.

He validates the accounting statements serving as the basis for the payment of interim dividends.

The statutory auditor's fees are included in the management fees.

Article 8 - Financial statements and management report

At the end of each financial year, the management company prepares summary documents and a report on the management of the Fund over the financial year then ended.

The inventory is certified by the custodian and all of the above documents are verified by the statutory auditor.

The management company makes these documents available to unitholders within four months of the end of the financial year and informs them of the amount of income to which they are entitled: these documents are sent either by post on the request of unitholders or made available at the premises of the management company or the custodian.

TITLE 3

APPROPRIATION OF INCOME

Article 9

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 making up the Fund's Basket, plus income from temporary cash holdings, less management fees and borrowing costs.

Income available for distribution is equal to net income for the year plus retained earnings, plus or minus the balance of income adjustment accounts relating to the financial year then ended.

Income available for distribution is fully capitalised except for that which distribution is mandatory by law.

TITLE 4

MERGER - DEMERGER - DISSOLUTION - LIQUIDATION

Article 10 - Merger - Demerger

The management company may either contribute, in whole or in part, the Fund's assets to another UCITS under its management, or split the Fund into two or more other FCPs under its management.

Mergers or demergers may be carried out only one month after unitholders are notified. A new certificate is issued showing the number of units held by each unitholder.

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 duly informs 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 at an earlier date; it informs unitholders of its decision and subscription or redemption requests will not be accepted from this date onwards.

- The management company shall also dissolve the Fund if a request is made for redemption of all units, if the custodian's appointment is terminated and no other custodian has been appointed or upon expiry of the Fund's life, if it has not been extended.

The management company informs the Autorité des Marchés Financiers by post of the dissolution date and procedure. It then sends the statutory auditor's report to the Autorité des Marchés Financiers.

The management company may decide to extend the Fund's life with the agreement of the custodian. Its decision must be made at least three months prior to expiry of the Fund's life and communicated to unitholders and the Autorité des Marchés Financiers.

Article 12 - Liquidation

In the event of dissolution, the custodian or the management company is responsible for liquidation. For this purpose, they have the full powers to sell the Fund's assets, settle liabilities and distribute the available balance between unitholders in cash or securities.

The statutory auditor and the custodian shall continue to perform their duties until liquidation is complete.

TITLE 5

DISPUTES

Article 13 - Competent courts - Jurisdiction

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