

## State Street Global Advisors Index Funds

### PROSPECTUS

#### General characteristics

#### 1. Form of the Mutual Fund (Fund)

- **Name:** State Street Global Advisors Index Funds

Registered office: Défense Plaza, 23-25 rue Delarivière-Lefoullon, 92064 Paris La Défense Cedex

- **Legal form and member state in which the Fund was incorporated:**

French-registered variable capital investment company (SICAV) with sub-funds subject to French law.

- **Incorporation date and planned duration:**

Incorporated on 21 July 2000 for a 99-year term with effect from its registration in the Nanterre Trade and Companies Register [“RCS”], i.e. until Saturdays, 25 July 2099.

- **Summary of the management product range:** The mutual fund comprises 13 sub-funds managed according to an index-based approach.

#### Stock sector sub-funds:

Sub-funds	Shares	ISIN code	Distribution of income	Currency of denomination	Subscribers concerned	Minimum subscription amount	Minimum subsequent entries
SSgA Consumer Discretionary Index Equity Fund.	P USD	FR0000018582	Accumulation	USD	All investors	One unit	None
	I USD	FR0010587972	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR 50
	I EUR	FR0011129527	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675230	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342377	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	USD equivalent to EUR 300,000	USD equivalent to EUR 50
SSgA Consumer	P USD	FR0000018491	Accumulation	USD	All investors	One unit	None
	I USD	FR0010587980	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR 50
	I EUR	FR0011129535	Accumulation	EUR	Institutional	EUR 300,000	EUR 50

Sub-funds	Shares	ISIN code	Distribution of income	Currency of denomination	Subscribers concerned	Minimum subscription amount	Minimum subsequent entries
Staples Index Equity Fund							
	I NL EUR	FR0011675263	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342385	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	USD equivalent to EUR 300,000	USD equivalent to EUR 50
SSgA Energy Index Equity Fund.	P USD	FR0000018475	Accumulation	USD	All investors	One unit	None
	I USD	FR0010588020	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR 50
	I EUR	FR0011129543	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675271	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342443	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	USD equivalent to EUR 300,000	USD equivalent to EUR 50
SSgA EMU Index Real Estate Fund	P	FR0000018590	Accumulation	EUR	All investors	One unit	None
	I	FR0010213108	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	B	FR0011342435	Accumulation	EUR	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	EUR 300,000	EUR 50
SSgA Europe ex UK Index Real Estate Fund	P	FR0010585364	Accumulation	Euro	All investors	One unit	None
	I	FR0010596692	Accumulation	Euro	Institutional	EUR 300,000	One unit
	B	FR0011342484	Accumulation	EUR	Reserved for institutional investors that have signed a management	EUR 300,000	EUR 50

Sub-funds	Shares	ISIN code	Distribution of income	Currency of denomination	Subscribers concerned	Minimum subscription amount	Minimum subsequent entries
					contract or equivalent contract with the management company or with one of its affiliated companies.		
SSgA Europe Index Real Estate Fund	P	FR0010585372	Accumulation	Euro	All investors	One unit	None
	I	FR0010596700	Accumulation	Euro	Institutional	EUR 300,000	EUR 50
	B	FR0011342542	Accumulation	EUR	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	EUR 300,000	EUR 50
SSgA Financials Index Equity Fund	P USD	FR0000018228	Accumulation	USD	All investors	One unit	None
	I USD	FR0010588061	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR50
	I EUR	FR0011129550	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675297	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342559	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	USD equivalent to EUR 300,000	USD equivalent to EUR50
SSgA Health Care Index Equity Fund	P USD	FR0000018673	Accumulation	USD	All investors	One unit	None
	I USD	FR0010588087	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR50
	I EUR	FR0011129568	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675305	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342666	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management	USD equivalent to EUR 300,000	USD equivalent to EUR50

Sub-funds	Shares	ISIN code	Distribution of income	Currency of denomination	Subscribers concerned	Minimum subscription amount subscription	Minimum subsequent entries
					company or with one of its affiliated companies.		
SSgA Industrials Index Equity Fund	P USD	FR0000018459	Accumulation	USD	All investors	One unit	None
	I USD	FR0010588095	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR50
	I EUR	FR0011129576	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675321	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342682	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	USD equivalent to EUR 300,000	USD equivalent to EUR50
SSgA Materials Index Equity Fund	P USD	FR0000018442	Accumulation	USD	All investors	One unit	None
	I USD	FR0010588103	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR50
	I EUR	FR0011129584	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675347	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342724	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	USD equivalent to EUR 300,000	USD equivalent to EUR50
SSgA Technology Index Equity Fund	P USD	FR0000018624	Accumulation	USD	All investors	One unit	None
	I USD	FR0010588137	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR50
	I EUR	FR0011129592	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675370	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342583	Accumulation	USD	Reserved for institutional investors that have signed a management contract or	USD equivalent to EUR 300,000	USD equivalent to EUR50

Sub-funds	Shares	ISIN code	Distribution of income	Currency of denomination	Subscribers concerned	Minimum subscription amount subscription	Minimum subsequent entries
					equivalent contract with the management company or with one of its affiliated companies.		
SSgA Telecommunication Index Equity Fund	P USD	FR0000018616	Accumulation	USD	All investors	One unit	None
	I USD	FR0010588145	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR50
	I EUR	FR0011129600	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675388	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342609	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	USD equivalent to EUR 300,000	USD equivalent to EUR50
SSgA Utilities Index Equity Fund	P USD	FR0000018467	Accumulation	USD	All investors	One unit	None
	I USD	FR0010588129	Accumulation	USD	Institutional	USD equivalent to EUR 300,000	USD equivalent to EUR50
	I EUR	FR0011129618	Accumulation	EUR	Institutional	EUR 300,000	EUR 50
	I NL EUR	FR0011675404	Accumulation	EUR	Dedicated to the Netherlands Institutional Investors distribution network	EUR 300,000	EUR 50
	B	FR0011342641	Accumulation	USD	Reserved for institutional investors that have signed a management contract or equivalent contract with the management company or with one of its affiliated companies.	USD equivalent to EUR 300,000	USD equivalent to EUR50

• **Where the latest annual report and periodic report can be obtained:**

The latest annual and periodic reports shall be sent, within one week, following written request by the shareholder to:

- Company name: State Street Global Advisors France
- Address: Défense Plaza, 23-25, rue Delarivière-Lefoullon, 92064 Paris La Défense Cedex.
- Telephone: +33 (0)1 44 45 40 00.
- Email: [contact@ssga.com](mailto:contact@ssga.com)
- These documents are also available at: [www.ssga.com](http://www.ssga.com)
- Point of contact where additional information may be obtained: State Street Global Advisors France, Customer Service on +33 (0)1 44 45 40 00.

## 2. Key participants

- **Management company:** State Street Global Advisors France

Portfolio management company approved by the *Commission des Opérations des Bourses* (now the *Autorité des Marchés Financiers* - Financial Markets Authority) on June 3, 1997, under number GP 97-044.

Registered office: Défense Plaza, 23-25 rue Delarivière-Lefoullon, 92064 Paris La Défense Cedex

Legal form: French public limited company (Société Anonyme).

- **Custodian:** State Street Banque S.A.

Registered office: Défense Plaza, 23-25, rue Delarivière-Lefoullon, 92064 Paris La Défense Cedex.

Legal form: French public limited company (Société Anonyme).

Primary activity of the custodian:

- Status of the company: Credit institution approved by the *Comité des Etablissements de Crédit et des Entreprises d'Investissement* (now the *Autorité du Contrôle Prudential-Prudential Control Authority*).
- It is in charge of the custody of the assets comprised in the Fund.
- It reviews orders from the management company concerning purchases and sales of securities as well as those regarding the exercise of entry and allocation rights related to the securities comprised in the Fund.
- It handles receipts and disbursements.
- It checks that decisions taken by the management company or the Fund are made correctly.
- It takes, where applicable, any custodial measures that it may deem necessary.
- In the event of a dispute with the management company, it shall inform the French Financial Markets Authority (AMF) thereof.

- **Statutory Auditors:** Ernst & Young Audit

Tour Ernst & Young, Faubourg de l'Arche 92037 Paris-La Défense, France

Represented by David Koestner.

- **Promotion Agent:** State Street Global Advisors France

**Assignees:** Accounting: State Street Banque S.A. The appointed accounting manager provides administration functions for the SICAV (accounting, calculation of the net asset value, etc.)

- **Clearing house:** State Street Banque S.A.

Registered office: Défense Plaza, 23-25, rue Delarivière-Lefoullon, 92064 Paris La Défense Cedex.

- **Members of the Board of Directors:**

The list of the members of the Fund's Board of Directors and their principal activities is available. It is updated to reflect all changes in the annual report. The statements of the other activities carried out by members of the management bodies are produced under the responsibility of each of the members mentioned and updated in the annual report.

## Operating and management procedures

### 1. General characteristics

- **Characteristics of the shares:**

Holders' rights are represented by registration in an account in their name:

- with the intermediary of their choice for bearer securities.
- with the issuer and, if they wish, with the intermediary of their choice for registered securities.

Liabilities held: Shares issued in Euroclear France.

Type of right attached to the class of shares: Each share entitles the holder to an ownership right in the share capital and a share of the profits of the sub-fund concerned, in proportion to the fraction of capital that the share represents.

Voting rights: The voting right attached to equities is proportional to the represented share in the capital. All shareholders may vote by proxy under the conditions stipulated in current regulations.

Form of shares: Shares may be in bearer or registered form, at the choice of the subscriber.

Decimal fractioning: The shares are split into ten-thousandths of a share, known as fractional shares.

- **Closing Date:** Last trading day of the Paris Stock Exchange in December.
- **Tax information:**

Shareholders' unrealized or realized capital gains may be taxable. The tax system applicable to unrealised or realised capital gains or losses depends on the tax rules applicable to each investor's particular situation. Investors who have any doubts about their tax situation are recommended to contact their tax advisor.

## DECLARATION OF STATUS AS A FRENCH FINANCIAL INSTITUTION

### I. FATCA definitions

**"Controlling persons"** means the physical persons who control an Entity. In the case of a trust, this terms means the founder, the trustees, the protector (if applicable), the beneficiaries or the categories of beneficiaries or any other physical person who exercises actual control over the trust, and for legal entities other than a trust, this term means the persons who hold equivalent or similar positions. The term "Controlling persons" must be interpreted according to the recommendations of the Financial Action Task Force.

**"Entity"** means any legal person or legal structure, such as a trust.

**"FATCA "** contains the provisions of the Hiring Incentives to Restore Employment (HIRE) Act of 18 March 2010, commonly known as the Foreign Account Tax Compliance Act (FATCA).



**"Financial institution"** means an account-keeping institution, a custodial institution, an investment company or an insurance company, as defined by the IGA.

**"IGA"** means the intergovernmental agreement concluded on 14 November 2013 between France and the United States with regard to FATCA.

**"IRS"** means the Internal Revenue Service of the United States.

**"French Financial Institution"** means (i) any financial institution which is registered in France, except subsidiaries of said Financial Institution located outside of France, and (ii) any subsidiary located in France of a financial institution which is not registered in France.

**"Non-participating financial institution"** means a non-participating Foreign Financial Institution, pursuant to the definition in the corresponding U.S. Treasury Regulation, but neither includes the French Financial Institutions nor the financial institutions of a partner jurisdiction other than those listed as non-participating financial institutions under Article 5 (2)(b) of the IGA or any other corresponding clause in an agreement concluded between the United States and a partner jurisdiction.

**"Non-U.S. entity"** means any entity which is not a U.S. person.

**"Partner jurisdiction"** means a jurisdiction which is contractually bound to the United States in order to facilitate the implementation of FATCA. The IRS is required to publish a list of all partner jurisdictions.

**"Specified U.S. person"** means any U.S. person other than: (i) a company whose stocks are regularly listed on one or several regulated stock exchanges; (ii) a company which is a member of an expanded affiliated group as defined in Section 1471(e)(2) of the U.S. Tax Code (hereinafter the "Code") or a company as described in Clause (i); (iii) the United States or any administration or government body of the United States; (iv) any State of the United States, any territory of the United States, any administrative division thereof or any government administration or body thereof; (v) an organisation which is exempt from taxation pursuant to Section 501(a) of the Code or an individual retirement plan as defined in Section 7701(a)(37) of the Code; (vi) any bank as defined in Section 581 of the Code; (vii) any real estate trust as defined in Section 856 of the Code; (viii) any regulated investment company as defined in Section 851 of the Code or any entity registered with the Securities and Exchange Commission pursuant to the Investment Company Act of 1940 (15 U.S.C. 80a-64); (ix) any common trust as defined in Section 584(a) of the Code; (x) any trust exempt from taxation by virtue of Section 664(c) of the Code or described in Section 4947(a)(1) of the Code; (xi) any financial intermediary dealing with securities, commodities or derivative financial instruments (including notional principal contracts), futures, forwards and options registered for this purpose in the United States or any State of the United States; (xii) an underwriter, as defined in Section 6045 (c) of the Code or (xiii) any trust exempt from taxation pursuant to a plan as described in Section 403 (b) or Section 457 (g) of the Code.

**"U.S. person"** means a United States citizen or resident, a partnership or a company established in the United States or pursuant to the laws of the United States or the laws of a State within the United States, a trust if (i) a United States court has jurisdiction, by virtue of the applicable law, over all matters relating to the administration of the trust and if (ii) at least one U.S. Person has the power to control the significant/major decisions of the trust or the estate of a deceased person who

was a citizen or resident of the United States. This definition must be interpreted pursuant to the Code.

## **II. FATCA Section**

The purpose of the FATCA is to limit tax evasion by United States citizens. It requires financial institutions located outside of the United States to provide information to the IRS each year regarding, in particular, their investors who are considered specified U.S. persons or, if the financial institution is party to an IGA, to transmit the aforementioned information to the local tax authority. A withholding amount of 30% will be imposed on the United States revenues of any financial institution which fails to honour this obligation, including the revenues and gross profits of investments in U.S. Securities. This system will gradually come into effect on 1 July 2014 and 1 January 2017.

On 14 November 2013, France signed an IGA with the United States to facilitate compliance with French financial institutions, such as this UCITS, with FATCA and to avoid the withholding of the aforementioned withholding amount. Pursuant to the IGA, French financial institutions are required to carry out a preliminary check of their investors and to provide French tax authorities with certain information about their identity, their investments and the revenue of each of their investors who are considered specified U.S. persons or, in the event of a non-U.S. investor, about the status of any person controlling said non-U.S. entity who is a specified U.S. person.

French financial institutions must also transmit certain types of information concerning the amounts paid to any non-participating financial institution. French tax authorities are then in charge of automatically forwarding information declared to the IRS. This preliminary check and declaration are, however, not required if the French financial institution can enforce a specific exemption or a category which is compliant, as indicated within the IGA.

The UCITS believes that it must be considered a French financial institution pursuant to the IGA. Consequently, in order to comply with its obligations pursuant to the IGA, the UCITS will require all shareholders to provide mandatory documentary proof of their FATCA status, including in their capacity as specified U.S. persons or, for shareholders who are non-U.S. entities, on the status of any controlling person who is a specified U.S. person. The IGA stipulates that the UCITS must also disclose the name, address and tax identification number of any specified U.S. person who is a shareholder, directly or indirectly, of the Fund, and to communicate information about the balance or value of the shares held in the Fund, directly or indirectly, by the aforementioned specified U.S. person, as well as any amount paid directly or indirectly by the UCITS to the aforementioned specified U.S. person. The UCITS is also required to disclose the name of any non-participating financial institution to whom it makes payments, as well as the cumulative amount of said payments.

The ability of the Fund to fulfil its obligations pursuant to the IGA is contingent upon the transmission, by each of the shareholders of the Fund, of the information that the UCITS considers to be acquired in order to fulfil said obligations, including information concerning the direct or indirect owners of the Shareholder in question. Each Shareholder must accept to provide this information upon request by the Fund.

Any Shareholder who does not acknowledge these requests for documentation may be charged taxes or penalties which would be imposed on the Fund due to the failure of the Shareholder in

question to fulfil the obligations stipulated by the IGA and FATCA and, at its discretion, the UCITS may redeem the shares of said Shareholder.

Though the UCITS will make every reasonable effort to obtain the necessary documentation from Shareholders in order to be compliant with these rules and charge taxes or penalties which are imposed or are to be deducted pursuant to the IGA and/or FATCA from Shareholders whose non-compliance has resulted in the taxation or deduction of the aforementioned taxes or penalties, it cannot be excluded that compliant Shareholders will not be affected by the presence of non-compliant Shareholders.

FATCA is complex and still evolving. All future investors and Shareholders are advised to consult their tax advisor regarding the possible implications of FATCA on their investment in the UCITS.

The UCITS was registered with the IRS and its global intermediary identification number (GIIN) is 4LA4WP.00000.SP.250.

2. Special provisions:

**SSgA Consumer Discretionary Index Equity Fund.**

- **ISIN Code:** **P USD shares:** FR0000018582.  
**I USD shares:** FR0010587972  
**I EUR shares:** FR0011129527  
**I NL EUR Shares:** FR0011675230  
**B shares:** FR0011342377
- **Classification:** International Equities.
- **Management objective:** **SSgA Consumer Discretionary Index Equity Fund is an index-based mutual fund that tracks an index.**

The investment objective of the fund is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Consumer Discretionary Index, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Consumer Discretionary, the replication sought is close to 1.0.
  - The MSCI Consumer Discretionary Index represents all the international shares in the cyclical consumer goods sector.
  - Currency: US dollar.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Cyclical consumer goods sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
  - Detailed information on the index and its performance is available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-consumer-discretionary-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-consumer-discretionary-index-usd-net.pdf).

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by

exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international equities from the cyclical consumer goods sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody's) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws and/or AIFs that could be managed by State Street Global Advisors.
- Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio.

See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual

fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund.

- Investors must also be aware that the mutual fund will be exposed to a **credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the

designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations. The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument.



Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual

investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts:** Accumulation.
- **Distribution frequency of the shares:** Not applicable.
- **Characteristics of the shares:**

P USD share denomination currency: US dollar.

I USD share denomination currency: US dollar.

I EUR and I NL EUR share denomination currency: Euro.

B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 94.86).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 23.02.09: USD 44.83).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 21 February 2012: {0><}100{>}EUR 75.35).

{0><}82{>} *I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000.

{0><}100{>} Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: State Street Banque SA.

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day. When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALCDIX FP>, on Reuters <001858.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P USD shares	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B USD shares
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

**Exit fees vested and unvested**

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P USD shares	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B USD shares
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive*	
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network. Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.  
Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

## SSgA Consumer Staples Index Equity Fund

- **ISIN Code:** P USD shares: FR0000018491  
I USD shares: FR0010587980  
I EUR shares: FR0011129535  
I NL EUR Shares: FR0011675263  
B shares: FR0011342385
- **Classification:** International Equities.
- **Management objective:** SSgA Consumer Staples Index Equity Fund is an index-based mutual fund that tracks an index.

The investment objective of the fund is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Consumer Staples Index, however it develops. The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Consumer Staples, the replication sought is close to 1.0.
  - The MSCI Consumer Staples Index represents all the international shares in the non-cyclical consumer goods sector.
  - Currency: US dollar.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Non-cyclical consumer goods sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
  - Detailed information on the index and its performance is available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-consumer-staples-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-consumer-staples-index-usd-net.pdf).

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings.

The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the

Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international equities from the non-cyclical consumer goods sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody's) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
- Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws and/or AIFs that could be managed by State Street Global Advisors.

Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

## → Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual



fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund.

- Investors must also be aware that the mutual fund will be exposed to a **credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the

designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations. The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument.

Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself..

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual

investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts:** Accumulation.
- **Distribution frequency:** Not applicable.
- **Characteristics of the shares:**

P USD share denomination currency: US dollar.

I USD share denomination currency: US dollar.

I EUR and I NL EUR share denomination currency: Euro

B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 102.43).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 23.02.09: USD 133.18).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 21 February 2012: {0}<}100{>}EUR 176.10).

{0}<}82{>} *I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000.

{0}<}100{>} Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: (State Street Banque SA).

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALCSIX FP>, on Reuters <001849.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P USD shares	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B USD shares
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the	net asset value	0.05%				

Fund	x number of shares	
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Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

**Exit fees vested and unvested**

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Management fees and outside management fees	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate		0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive* Maximum rate
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I EUR shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

**SSgA Energy Index Equity Fund.**

- **ISIN Code:** P USD shares: FR0000018475  
I USD shares: FR0010588020  
I EUR shares: FR0011129543  
I NL EUR Shares: FR0011675271  
B shares: FR0011342443
- **Classification:** International Equities.
- **Management objective: SSgA Energy Index Equity Fund is an index-based mutual fund that tracks an index.**

The investment objective of the fund is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Energy Index, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Energy, the replication sought is close to 1.0.
  - The MSCI Energy Index represents all international shares in the energy sector.
  - Currency: US dollar.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Energy sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
  - Detailed information on the index and its performance is available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-energy-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-energy-index-usd-net.pdf)

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.



→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international securities from the energy sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody’s) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.
- Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral

received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion

of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund.

- Investors must also be aware that the mutual fund will be exposed to a **credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations. The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different

senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts:** Accumulation.
- **Distribution frequency:** Not applicable.

- **Characteristics of the shares:**

P USD share denomination currency: US dollar.  
I USD share denomination currency: US dollar.  
I EUR and I NL EUR share denomination currency: Euro.  
B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 110.68).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 30 January 2009: USD 181.79).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 21 February 2012: EUR 215.12).

*I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000.

Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: State Street Banque SA.

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.  
The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALNRGY FP>, on Reuters <001847.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P USD shares	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

**Redemption fees retained by the Fund and paid on to third parties:** Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive* Maximum rate	
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.



Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

## SSgA EMU Index Real Estate Fund

- **ISIN Code:** **P shares:** FR0000018590  
**I Shares:** FR0010213108  
**B shares:** FR0011342435
- **Classification:** International Equities.
- **Management objective:** **SSgA EMU Index Real Estate Fund is an index-based mutual fund that tracks an index.**

The investment objective of the fund is to seek to obtain a performance equal to the performance of the S&P/ Citigroup BMI Eurozone Property, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** S&P/ Citigroup BMI Eurozone Property, the target correlation is close to 1.0.
  - The S&P/ Citigroup BMI Eurozone Property index represents all the eurozone shares in the real estate sector.
  - Currency: Euro.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Industrial sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://supplemental.spindices.com/supplemental-data/europe>
  - Detailed information on the index and its performance is available on the website <http://supplemental.spindices.com/supplemental-data/europe>

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international securities from the real estate sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody’s) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.

Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral

received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a

substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund.

- Investors must also be aware that the mutual fund will be exposed to a **credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations.

The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law

concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:**

Accumulation.

- **Distribution frequency:** Not applicable.

- **Characteristics of P, I and B shares:**

Denomination currency of shares: Euro.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The applicable entry price is the next net asset value per share, calculated on the basis of the day's closing prices. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue.

*P shares:* The minimum amount of the initial entry is the value of one share (original net asset value: EUR 102.50).

*I Shares:* The minimum initial entry should be EUR 300,000 (original net asset value on 7 June 2005: EUR 100). Subsequent entries must exceed EUR 50.

*B shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: (State Street Banque SA).

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The exit price is that resulting from the next net asset value per share, calculated on the basis of the day's closing prices.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except on Saturdays, Sundays, official French and/or German public holidays and days when the Paris and/or Frankfurt stock exchanges are closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALRESI FP> <BALRSII FP>, on Reuters <001859.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted from entries and exits	Basis	Rate scale		
		P shares	I shares	B shares



Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum
Entry fees retained by the Fund	net asset value x number of shares	0.10%	
Exit fees not retained by the Fund	net asset value x number of shares	None	
Exit fees retained by the Fund	net asset value x number of shares	0.05%	

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

**Exit fees vested and unvested**

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale		
		P shares	I shares	B shares
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax- inclusive* Maximum rate	0.40% tax inclusive* Maximum rate	0.10% (tax inclusive)
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction		
Outperformance fees	Net assets	None		

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I EUR shares Dedicated to the Netherlands Institutional Investors distribution network. Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

- **Tax treatment:**

This sub-fund is eligible for use in a PEA - Plan d'Épargne en Actions or French equity savings plan - and may therefore benefit from the special tax rules applicable thereto. Depending on your tax status, you may be taxed on capital gains and on any income from your sub-fund shares. We recommend that you contact the Fund's Promotion Agent or your own financial adviser for further details.

## SSgA Europe ex UK Index Real Estate Fund

- **ISIN Code:** P shares: FR0010585364  
I Shares: FR0010596692  
B shares: FR0011342484
- **Classification:** International Equities.
- **Management objective: SSgA Europe ex UK Index Real Estate Fund is an index-based UCITS that replicates an index.**

The investment objective of the Fund is to reproduce the performance of the EPRA Europe ex UK Liquide 40 Index by minimizing as much as possible the tracking error between the performance of the Fund and that of the EPRA Europe ex UK Liquide 40 Index. The target tracking error, measured over a period of 52 weeks, is below 1%. If the tracking error nonetheless exceeds 1%, the objective is to still remain below 5% of the volatility of the EPRA Europe ex UK Liquide 40 index.

- **Benchmark index:** The EPRA Europe ex UK Liquide 40, the replication sought is close to 1.0. The index is calculated by EPRA (European Public Real Estate Association).
  - The EPRA Europe ex UK Liquide 40 Index is representative of all European equities and international equities outside of the United Kingdom belonging to the real estate sector.
  - Currency: Euro.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Real estate sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website  
<http://www.ftse.com/Analytics/factsheets/Home/ConstituentsWeights?fromftse=true>

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

In addition to investing in securities, the Fund may take very small positions in derivative instruments so as to efficiently manage the cash flows relating to subscriptions-purchases and dividend payments.

→ Description of the asset classes:

Assets (excluding integrated derivatives): The portfolio generally comprises 40 securities.

At least 90% to 100% of the portfolio is made up of European and international equities outside UK in the listed real estate sector and listed real estate funds (REITS).

- To optimise interest earned on cash holdings, up to 10% of the portfolio may be invested in debt securities and money market instruments. Below are their main characteristics:

Government debt only.

Grade: at least equal to "investment grade", i.e. A3 (Standard and Poor's), P3 (Moody's) and/or equivalent.

Legal type: Debt securities issued by an OECD government such as France or the United Kingdom.

Term: Less than two-year maturity for debt securities;

Maturity below 397 days for money market instruments.

- Mutual fund units or shares and/or AIFs under French or other countries' laws that could be managed by State Street Global Advisors. These are monetary funds where up to 10% of the assets may be used to supplement the Fund's investment.

Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives:

- Derivatives utilisation strategy: The Fund may also, to a limited extent, include equity derivatives and equity index derivatives. These products are used to build, to a limited extent, a synthetic exposure to the index and adjust the Fund's exposure to 100% so that it is neither over-exposed nor under-invested. Within the limits stipulated by regulations, the Fund may invest up to 10% of the assets in these financial instruments.

At any event, the purpose of dealing in derivatives is to help ensure that the Fund performs as close as possible to the benchmark index through the purchase and sale of futures contracts on equity indices.

- Active markets: French and foreign regulated/OTC markets
- Type of instruments used: On a limited basis, listed derivatives, particularly futures contracts on equity indices or equity futures contracts. On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Mutual Fund may lend up to 100% of the securities from its portfolio by reference to the monetary and financial code in order to optimize the fund's revenues. See "Fees and Commissions" for additional information on what is charged for these operations.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

**Risk related to the changes in the index:**

The performance of the Fund is directly related to the changes in the ERPA Europe ex UK Liquide 40 index which is representative of all European - excluding the United Kingdom - and international equities from the real estate sector, where an unfavourable change in the index could lead to capital losses, considering that there are no guarantees for the originally invested capital.

A minimum of 90% of the Fund is exposed to equity market risks. As a result, its value may fall should markets decline.

The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

**Currency risk:** There is a currency risk since the Fund holds securities denominated in a currency or several currencies other than the euro. Fluctuations of these currencies against the euro could lower the Fund's net asset value. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

**Performance risk:** There is no guarantee that the management objectives of the Fund will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked. The Fund thus can bear costs that are not included in the calculation of the index (transaction costs); moreover, the Fund cannot always build the desired portfolio on account

of exceptional circumstances due to market conditions (suspension or interruption of listing, market dysfunction, etc.).

Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect its performance, volatility and risk (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund.

**Credit risk:** Investors must also be aware that the Fund will be exposed to a **credit risk** on the parties with which it deals. Thus, in the event of a default by these parties, the Fund will incur a capital loss. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the

designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates. **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations. The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry

out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors. This Fund is designed for investors who wish to invest over the medium long term in the shares in the index in order to obtain a performance equal to that of the index, without a currency hedge.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:**

Accumulation.

- **Frequency of distribution of P, I and B shares:** Not applicable.



- **Characteristics of P, I and B shares:**

Denomination currency of shares: Euro.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The applicable entry price is the next net asset value per share, calculated on the basis of the day's closing prices. Entries must be fully paid up on the net asset value calculation day. They may be made in cash and/or transferable securities. The management company has the right to refuse the securities offered and has a period of seven days from their deposit to announce its decision.

*P shares:* The minimum initial entry amount is the value of one share.

*I Shares:* The minimum initial entry should be EUR 300,000 (original net asset value: EUR 100). Subsequent entries is a value of one share.

*B shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: (State Street Banque SA).

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities.

Exits may be in cash and/or transferable securities.

The exit price is that resulting from the next net asset value per share, calculated on the basis of the day's closing prices. When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except on Saturdays, Sundays, official French and/or German public holidays and days when the Paris and/or Frankfurt stock exchanges are closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Reuters code <SSBQE> or may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or	Basis	Rate scale		
		P shares	I shares	B shares

<b>exits are made</b>				
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum	
Entry fees retained by the Fund	net asset value x number of shares	0.05%		
Exit fees not retained by the Fund	net asset value x number of shares	None		
Exit fees retained by the Fund	net asset value x number of shares	0.05%		

**Special procedures: Cost-free cases:**

Entry fees vested and unvested: In the event of an exit followed by an entry on the same day, for the same amount, based on the same net asset value and in the event of an entry in securities.

Exit fees vested and unvested: In the event of an exit followed by an entry on the same day, for the same amount, based on the same net asset value and in the event of an exit of securities.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale		
		P shares	I shares	B shares
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax- inclusive* Maximum rate	0.40 % tax- inclusive* Maximum rate	0.10 % tax- inclusive*
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction		
Outperformance fees	Net assets	None		

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares and at 0.30% tax-inclusive for I shares.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

## SSgA Europe Index Real Estate Fund

- **ISIN Code: P shares:** FR0010585372  
**I Shares:** FR0010596700  
**B shares:** FR0011342542
- **Classification:** International Equities.
- **Management objective: SSgA Europe Index Real Estate Fund is an index-based mutual fund**

### **that tracks an index.**

The management objective of the Fund is to seek to obtain a performance equal to the performance of the EPRA Europe Liquide 40 Index by minimizing the tracking error between the performance of the Fund and that of the EPRA Europe Liquide 40 Index. The tracking error objective over a period of 52 weeks is below 1%. If the tracking error nonetheless exceeds 1%, the objective is to still remain below 5% of the volatility of the EPRA Europe Liquid 40 index.

- **Benchmark index:** The EPRA Europe Liquide 40, the replication sought is close to 1.0. The index is calculated by EPRA (European Public Real Estate Association).
  - The EPRA Europe Liquide 40 Index is representative of all European equities and international equities belonging to the real estate sector.
  - Currency: Euro.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Real estate sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website
  - <http://www.ftse.com/Analytics/factsheets/Home/ConstituentsWeights?fromftse=true>

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives. The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index. As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

In addition to investing in securities, the Fund may take very small positions in derivative instruments so as to efficiently manage the cash flows relating to subscriptions-purchases and dividend payments.

→ Description of the asset classes:

Assets (excluding integrated derivatives): The portfolio generally comprises 40 securities.

- At least 90% to 100% of the portfolio is made up of European and international equities in the listed real estate sector and in listed real estate funds (REITS).
- To optimise interest earned on cash holdings, up to 10% of the portfolio may be invested in debt securities and money market instruments.

Below are their main characteristics:

Government debt only.

Grade: at least equal to "investment grade", i.e. A3 (Standard and Poor's), P3 (Moody's) and/or equivalent.

Legal type: Debt securities issued by an OECD government such as France or the United Kingdom.

Term: Less than two-year maturity for debt securities;

Maturity below 397 days for money market instruments.

- Mutual fund units or shares and/or AIFs under French or other countries' laws that could be managed by State Street Global Advisors. These are monetary funds where up to 10% of the assets may be used to supplement the Fund's investment.
- Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives:

- Derivatives utilisation strategy: The Fund may also, to a limited extent, include equity derivatives and equity index derivatives. These products are used to build, to a limited extent, a synthetic exposure to the index and adjust the Fund's exposure to 100% so that it is neither over-exposed nor under-invested. Within the limits stipulated by regulations, the Fund may invest up to 10% of the assets in these financial instruments.

At any event, the purpose of dealing in derivatives is to help ensure that the Fund performs as close as possible to the benchmark index through the purchase and sale of futures contracts on equity indices.

- Active markets: French and foreign regulated/OTC markets
- Type of instruments used: On a limited basis, listed derivatives, particularly futures contracts on equity indices or equity futures contracts. On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Mutual Fund may lend up to 100% of the securities from its portfolio by reference to the monetary and financial code in order to optimize the fund's revenues. See "Fees and Commissions" for additional information on what is charged for these operations.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

**Risk related to the changes in the index:**

The performance of the Fund is directly related to the changes in the ERPA Europe Liquid 40 Index which is representative of all European and international equities from the real estate sector, where an unfavourable change in the index could lead to capital losses, since there are no guarantees for the originally invested capital.

A minimum of 90% of the Fund is exposed to equity market risks. As a result, its value may fall should markets decline.

The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

**Currency risk:** There is a currency risk since the Fund holds securities denominated in a currency or several currencies other than the euro. Fluctuations of these currencies against the euro could lower the Fund's net asset value. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

**Performance risk:** There is no guarantee that the management objectives of the Fund will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked. The Fund thus can bear costs that are not included in the calculation of the

index (transaction costs); moreover, the Fund cannot always build the desired portfolio on account of exceptional circumstances due to market conditions (suspension or interruption of listing, market dysfunction, etc.).

Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect its performance, volatility and risk (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund.

**Credit risk:** Investors must also be aware that the Fund will be exposed to a credit risk on the parties with which it deals. Thus, in the event of a default by these parties, the Fund will incur a capital loss. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities

outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations. The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to



applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors. This Fund is designed for investors who wish to invest over the medium long term in the shares in the index in order to obtain a performance equal to that of the index, without a currency hedge.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:**

Accumulation.

- **Frequency of distribution of P, I and B shares:** Not applicable.
- **Characteristics of P, I and B shares:**

Denomination currency of shares: Euro.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time). The applicable entry price is the next net asset value per share, calculated on the basis of the day's closing prices.

Entries must be fully paid up on the net asset value calculation day. They may be made in cash and/or transferable securities. The management company has the right to refuse the securities offered and has a period of seven days from their deposit to announce its decision.

*P shares:* The minimum amount of the initial entry is the value of one share (original net asset value on 11 April 2008: EUR 194.32).

*I Shares:* The minimum initial entry should be EUR 300,000 (original net asset value: EUR 100). Subsequent entries must exceed EUR 50.

*B shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian (State Street Banque S.A.)

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities.

Exits may be in cash and/or transferable securities.

The exit price is that resulting from the next net asset value per share, calculated on the basis of the day's closing prices. When the Fund's net assets are less than the amount fixed by regulations, no units or fractions of units can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except on Saturdays, Sundays, official French and/or UK public holidays and days when the Paris and/or London stock exchanges are closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Reuters code <SSBQE> or may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale		
		P shares	I shares	B shares
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum	
Entry fees retained by the Fund	net asset value x number of shares	0.20%		
Exit fees not retained by the Fund	net asset value x number of shares	None		
Exit fees retained by the Fund	net asset value x number of shares	0.05%		

Special procedures: Cost-free cases:

Entry fees vested and unvested: In the event of an exit followed by an entry on the same day, for the same amount, based on the same net asset value and in the event of an entry in securities.

Exit fees vested and unvested: In the event of an exit followed by an entry on the same day, for the same amount, based on the same net asset value and in the event of an exit of securities.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale		
		P shares	I shares	B shares
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40 % tax-inclusive* Maximum rate	0.10 % tax-inclusive*
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction		
Outperformance fees	Net assets	None		

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares and at 0.30% tax-inclusive for I shares.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

## SSgA Financials Index Equity Fund

- ISIN Code: **P USD shares:** FR0000018228  
**I USD shares:** FR0010588061  
**I EUR shares:** FR0011129550  
**I NL EUR Shares:** FR0011675297  
**B shares:** FR0011342559

- Classification: International Equities.
- **Management objective: SSgA Financials Index Equity Fund is an index-based mutual fund that tracks an index.**

The investment objective of the fund is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Financials Index, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Financials, the replication sought is close to 1.0.
  - The MSCI Financials Index represents all the international shares in the financial sector.
  - Currency: US dollar.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Financial sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
  - Detailed information on the index and its performance is also available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-financials-index-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-financials-index-net.pdf).

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international securities from the financial sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:  
Government debt  
Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody’s) and/or equivalent.  
Legal type: Debt securities issued by an OECD government  
Term: Less than two-year maturity for debt securities;  
Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.
- Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral

received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion

of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund. - Investors must also be aware that the mutual fund will be exposed to a **credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.



- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations.

The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different

senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:** Accumulation.
- **Frequency of distribution of P, I and B shares:** Not applicable.
- **Characteristics of P, I and B shares:**

P USD share denomination currency: US dollar.

I USD share denomination currency: US dollar.

I EUR and I NL EUR share denomination currency: Euro

B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

**Subscription methods and conditions:**

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

Subsequent entries must exceed USD 1,000.

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 106.69).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 24 February 2009: USD 48.92).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 21 February 2012: {0><}100{>}EUR 71.09).

{0><}82{>}*I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000.

{0><}100{>}Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

**Institution appointed to receive subscriptions and redemptions:**

The custodian: (State Street Banque SA).

**Redemption methods and conditions:**

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALFIDX FP>, on Reuters <001822.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

### Exit fees vested and unvested

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

### Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Management fees and management fees outside the management company	Net assets after deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive*	
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

### Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25 % maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

## SSgA Health Care Index Equity Fund

- **ISIN Code:** **P USD shares:** FR0000018673  
**I USD shares:** FR0010588087  
**I EUR shares:** FR0011129568  
**I NL EUR Shares:** FR0011675305  
**B shares:** FR0011342666
- **Classification:** International Equities.
- **Management objective:** **SSgA Health Care Index Equity Fund is an index-based mutual fund that tracks an index.**

The investment objective of the fund is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Health Care, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Health Care, the replication sought is close to 1.0.
  - The MSCI Health Care Index represents all the international equities mainly belonging to the health care sector.
  - Currency: US dollar.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Healthcare sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
  - Detailed information on the index and its performance is also available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-health-care-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-health-care-index-usd-net.pdf).

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings.

The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the

Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international securities from the health care sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody's) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.
- Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100 % of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.



The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion

of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund.

- Investors must also be aware that the mutual fund will be exposed to a **credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations. The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different

senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:** Accumulation.
- **Frequency of distribution of P, I and B shares:** Not applicable.

- **Characteristics of P, I and B shares:**

P USD share denomination currency: US dollar.  
I USD share denomination currency: US dollar.  
I EUR and I NL EUR share denomination currency: Euro.  
B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 105.95).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 24.02.09: USD 93.22).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 17 February 2012: EUR 106.15).

*I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000.

Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: State Street Banque SA.

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

**Determining the net asset value:**

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALHIND FP>, on Reuters <001867.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

• **Costs and fees:**

**Subscription and redemption fees:**

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

**Exit fees vested and unvested**

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive* Maximum rate	
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.



## SSgA Industrials Index Equity Fund

- **ISIN Code:** P USD shares: FR0000018459  
I USD shares: FR0010588095  
I EUR shares: FR0011129576  
I NL EUR Shares: FR0011675321  
B shares: FR0011342682
- **Classification:** International Equities.
- **Management objective: SSgA Industrials Index Equity Fund is an index-based mutual fund that tracks an index.**

The investment objective of the fund is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Industrials index, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Industrials, the replication sought is close to 1.0.
  - The MSCI Industrials Index represents all international equities in the energy sector.
  - Currency: US dollar.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Industrial sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
  - Detailed information on the index and its performance is available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-industrials-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-industrials-index-usd-net.pdf).

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the

Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international shares from the industrial sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody's) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.

Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index.

Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund. - Investors must also be aware that the mutual fund will be exposed to **a credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations. The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different

senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:** Accumulation.
- **Frequency of distribution of P, I and B shares:** Not applicable.

- **Characteristics of P, I and B shares:**

P USD share denomination currency: US dollar.  
I USD share denomination currency: US dollar.  
I EUR and I NL EUR share denomination currency: Euro.  
B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

*P shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 102.38).

*I Shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 24.02.09: USD 70.03).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 17 February 2012: {0><}100{>}EUR 105.46).

*I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000.

{0><}100{>}Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: State Street Banque S.A.

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALINIX FP>, on Reuters <001845.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

• **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50%.

**Exit fees vested and unvested**

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.



Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P USD shares	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B USD shares
Management fees and management fees outside the management company	Net assets after deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive* Maximum rate
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

## SSgA Materials Index Equity Fund

- **ISIN Code:** P USD shares: FR0000018442  
I USD shares: FR0010588103  
I EUR shares: FR0011129584  
I NL EUR Shares: FR0011675347  
B shares: FR0011342724
- **Classification:** International Equities.
- **Management objective: SSgA Materials Index Equity Fund is an index-based mutual fund that tracks an index.**

The investment objective of the fund is to seek to obtain a performance equal to the performance of the MSCI (Morgan Stanley Capital International) Materials index, however it develops.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Materials, the replication sought is close to 1.0
  - The MSCI Materials Index represents all the international shares in the materials sector.
  - Currency: US dollar.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Materials sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
  - Detailed information on the index and its performance is available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-materials-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-materials-index-usd-net.pdf).

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international securities from the materials sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody’s) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.
- Detailed information on the Fund’s portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

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- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

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In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted

performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund.- Investors must also be aware that the mutual fund will be exposed to **a credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to **a currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts

(i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations.

The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other

relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:** Accumulation.
- **Frequency of distribution of P, I and B shares:** Not applicable.
- **Characteristics of P, I and B shares:**

P USD share denomination currency: US dollar.

I USD share denomination currency: US dollar.

I EUR and I NL EUR share denomination currency: Euro

B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.



- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 88.09).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 25.02.09: USD 111.07).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 21 February 2012: {0><}100{>EUR 172.53).

{0><}82{>*I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000. {0><}100{>Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: (State Street Banque SA).

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities. The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALMIDX FP>, on Reuters <001844.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

**Exit fees vested and unvested**

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional	B shares USD

					Investors distribution network	
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive* Maximum rate	
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

## SSgA Technology Index Equity Fund

- **ISIN Code:** **P USD shares:** FR0000018624  
**I USD shares:** FR0010588137  
**I EUR shares:** FR0011129592  
**I NL EUR Shares:** FR0011675370  
**B shares:** FR0011342583
- **Classification:** International Equities.
- **Management objective: SSgA Technology Index Equity Fund is an index-based mutual fund that tracks an index.**

The Fund's investment objective is to seek to obtain a performance equal to the performance of the MSCI Information Technology Index, regardless of its development.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Information Technology, the replication sought is close to 1.0

- The MSCI Information Technology Index represents all international shares in the technology sector.
- Currency: US dollar.
- Exchange rates applied: Closing.
- Reinvestment of net dividends.
- Investment sector: Technology sector.
- Type of index: Equities.
- The composition of the reference index may contain securities that account for more than 10% of the total.
- Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
- Detailed information on the index and its performance is available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-information-technology-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-information-technology-index-usd-net.pdf).

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the

Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international securities from the technology sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody’s) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.
- Detailed information on the Fund’s portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk

that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund. - Investors must also be aware that the mutual fund will be exposed to **a credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- Securities lending risk: The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations.

The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company



and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

**The attention of investors is also drawn to the fact that NASDAQ's new market is a regulated market designed to accommodate companies which, by reason of their special features, may expose the investor to risk.**

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:** Accumulation.
- **Frequency of distribution of P, I and B shares:** Not applicable.
- **Characteristics of P, I and B shares:**

P USD share denomination currency: US dollar.

I USD share denomination currency: US dollar.

I EUR and I NL EUR share denomination currency: Euro

B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 139.93).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 13.02.09: USD 35.58).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 21 February 2012: EUR 172.53).

*I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000.

Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: (State Street Banque SA).

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALTECI FP>, on Reuters <001862.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

### Exit fees vested and unvested

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

#### Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate		0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive* Maximum rate
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

#### Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

#### Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. This procedure assesses transaction execution quality (best execution criterion), the quality of back office services, and the quality of research. Through periodic risk committee meetings, the fund management company regularly analyses the quality of the selected counterparties by looking at credit ratings, etc.

<b>SSgA Telecommunication Index Equity Fund</b>
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- **ISIN Code:** **P USD shares:** FR0000018616  
**I USD shares:** FR0010588145  
**I EUR shares:** FR0011129600  
**I NL EUR Shares:** FR0011675388  
**B shares:** FR0011342609

- **Classification:** International Equities.

- **Management objective: SSgA Telecommunication Index Equity Fund is an index-based mutual fund that tracks an index.**

The Fund's objective is to replicate the performance of the MSCI Telecommunications Services Index, regardless of its development.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Telecommunication Services, the replication sought close to 1.0.

- The MSCI Telecommunications Index represents all the international shares in the telecommunications sector.
- Currency: US dollar.
- Exchange rates applied: Closing.
- Reinvestment of net dividends.
- Investment sector: Telecommunications sector.
- Type of index: Equities.
- The composition of the reference index may contain securities that account for more than 10% of the total.
- Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
- Detailed information on the index and its performance is available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-telecommunication-services-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-telecommunication-services-index-usd-net.pdf)

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the

Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international securities from the telecommunications sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody’s) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.  
Detailed information on the Fund’s portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See “Fees and Commissions” for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk



that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund. - Investors must also be aware that the mutual fund will be exposed to **a credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question.

Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations.

The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the fund in question and also to the other customers. Subject to the above, (i) the management company

and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:** Accumulation.

- **Frequency of distribution of P, I and B shares:** Not applicable.

- **Characteristics of P, I and B shares:**

P USD share denomination currency: US dollar.

I USD share denomination currency: US dollar.

I EUR and I NL EUR share denomination currency: Euro.

B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 107.62).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 15.12.08: USD 52.70).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 21 February 2012: EUR 52.26).

*I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000.

Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: (State Street Banque SA).

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

How to change from one unit category to another:

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right, either vested or unvested.

The exit of shares is subject to the usual tax system applicable to exits.

Determining the net asset value:

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALTELI FP>, on Reuters <001861.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

- **Costs and fees:**

Subscription and redemption fees:

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50%.

### Exit fees vested and unvested

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

#### Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P USD shares	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B USD shares
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive* Maximum rate	
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

#### Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.

Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

## SSgA Utilities Index Equity Fund

- **ISIN Code:** P USD shares: FR0000018467  
I USD shares: FR0010588129  
I EUR shares: FR0011129618  
I NL EUR Shares: FR0011675404  
B shares: FR0011342641
- **Classification:** International Equities.
- **Management objective: SSgA Utilities Index Equity Fund is an index-based mutual fund that tracks an index.**

The Fund's objective is to replicate the performance of the MSCI Utilities Index, regardless of its development.

The aim of the management strategy is to ensure that the tracking error between the change in net asset value and the index (measured by tracking error) is as small as possible and lower than 1%.

- **Benchmark index:** MSCI Utilities, the replication sought is close to 1.0.
  - The MSCI Utilities Index is representative of all equities belonging to the utilities sector.
  - Currency: US dollar.
  - Exchange rates applied: Closing.
  - Reinvestment of net dividends.
  - Investment sector: Public utilities sector.
  - Type of index: Equities.
  - The composition of the reference index may contain securities that account for more than 10% of the total.
  - Detailed information on the underlying components of the benchmark index is available on the website <http://www.msci.com/products/indices/licensing/constituents.html>.
  - Detailed information on the index and its performance is available on the website [http://www.msci.com/resources/factsheets/index\\_fact\\_sheet/msci-world-utilities-index-usd-net.pdf](http://www.msci.com/resources/factsheets/index_fact_sheet/msci-world-utilities-index-usd-net.pdf).

- **Investment strategy:**

→ Strategies used:

The fund manager uses the investment method or methods deemed best suited to attaining the investment objectives.

The management strategy employs the pure physical replication method that consists of purchasing all the securities that make up the benchmark index in proportion to their respective weightings. The structure of the portfolio is therefore very close to that of the benchmark. In well-defined circumstances, the Fund may purchase securities that are not included in the Index.

As an index-based UCITS, the Fund may make use of the waivers specified by Article R 214-22 of the French Monetary and Financial Code, relating to the investment limits in financial instruments of a single issuer. The Fund may invest up to 20% of its assets in shares or debt securities of the same issuer, and this limit can be raised to 35% for a single issuer when it is deemed justified by exceptional market conditions, in particular on regulated markets in which certain securities or money market instruments are predominant. Depending on regulatory or market constraints, the



Fund may deem it necessary to utilise an optimisation strategy to build a representative portfolio. Consequently, the Fund will generally only hold a sub-set of securities included in the Index.

→ Description of the asset classes:

Assets (excluding integrated derivatives):

- The portfolio is made up of at least 90% international securities from the community services sector.
- The portfolio may contain up to 10% of negotiable debt securities and money market instruments. Below are their main characteristics:
  - Government debt
  - Grade: at least equal to “investment grade”, i.e. A3 (Standard and Poor’s) or P3 (Moody's) and/or equivalent.
  - Legal type: Debt securities issued by an OECD government
  - Term: Less than two-year maturity for debt securities;
  - Maturity below 397 days for money market instruments.
- Mutual fund units or shares and/or AIFs under French or other countries’ laws that could be managed by State Street Global Advisors.

Detailed information on the Fund's portfolio is available on the website [www.ssga.com](http://www.ssga.com).

Derivatives: The Fund may also include, on an ancillary basis, derivatives on equities and equity indices.

Indeed, within the regulatory limits, the fund may deal in futures that are traded on French and foreign regulated markets or on over-the-counter markets, especially futures contracts on indices, up to a maximum of 10% of the assets.

Type of instruments used:

- On a limited basis, listed derivative instruments, particularly futures contracts on equity indices or equity futures contracts.
- On an exceptional basis, unlisted derivative instruments such as equity index swaps, share swaps, or listed or unlisted monetary, debt or derivative assets.

In every instance, the purpose of dealing in derivatives is to help ensure that the Fund performs as closely as possible to the benchmark index.

Securities included in the derivatives: None

Deposits: The Fund may sometimes receive small sums of up to 10% of its net assets resulting from securities adjustments and transactions. These sums may be temporarily deposited while waiting for a final investment opportunity.

Cash borrowings: Permitted up to a limit of 10% and on a temporary basis. In the case of a fully invested policy, there is generally less than 1% overdraft for dividends receivable.

Temporary sale of securities: The Fund may lend up to 100% of the securities from its portfolio. See Fees and Commissions for additional information on what is charged for these operations.

→ Maximum usage level for each instrument:

100% of the assets may be invested in equities.

Up to 10% of the assets may be invested in non-equity instruments.

Up to 10% of the assets may be invested in mutual fund shares or units.

→ Financial Collateral

As part of securities lending transactions and transactions involving derivatives, the Fund can receive securities as collateral.

The assets received as collateral must be diversified, liquid, issued by high quality issuers, not correlated with the counterparty and have little volatility. The discounts applied to the collateral received take into consideration the credit quality, the price volatility as well as the results of crisis simulations.

The levels of financial guarantees as collateral vary depending on the type of instrument.

Detailed information on this subject is available in the Fund's annual report.

- **Risk profile:**

Your money will be invested principally in financial instruments selected by the management company. These instruments will be exposed to the ups and downs of the markets. Investors must be aware of the risks set out below. Furthermore, the following explanations do not represent a comprehensive list of all the risk factors associated with purchasing shares in the Fund, and investors are invited to make up their own minds about whether it is appropriate to invest. They are also encouraged to seek independent advice before buying any shares in the Fund.

The risk profile of the Fund is fundamentally identical to or as close as possible to that of the index it replicates.

The fund is principally exposed to **equity market risks**. As a result, its value fluctuates both up and down according to changes in the markets, and **the investor may suffer capital losses**. Even if the general economic conditions do not change, the net asset value of the mutual fund could decline if the industries, sectors or companies in which the mutual fund invests do not perform well or are negatively affected.

In addition, there is the likelihood of the following specific risks:

There is no guarantee that the Fund's management objectives will be achieved. In practice, no asset or financial instrument allows the benchmark index to be automatically tracked.

The changes made to the assets in the Fund and the changing weightings of the benchmark index may bring about various transaction or other costs.

Furthermore, the total return generated by investments in the securities comprising the index will be reduced because of certain costs and expenses that are not included in the calculation of that index.

In addition, the Fund will not be able to fully track the performance of the index, in particular because of the temporary unavailability of certain securities comprising the index or because of exceptional circumstances that may distort the weightings of the index.

Furthermore, in the event of a suspension or temporary interruption of the pricing of the securities comprising the index or in the event of market disruption, it may prove impossible to rebalance the portfolio of securities comprising the Fund for an unspecified period.

The value of the shares of the Fund and their income may increase or decrease to reflect changes in the value of the securities in which the Fund invests.

- The mutual fund is exposed to **liquidity risk**. Some investments and/or types of investment are subject to restrictions when they are resold and can be traded over-the-counter or in a limited volume, or may not even have an active trading market. Non-liquid investments may be traded at a lower price with respect to comparable investments that are more liquid, and may be subject to large fluctuations in their market value. It may be difficult for the mutual fund to precisely value non-liquid securities. The mutual fund may also not be able to sell non-liquid securities quickly, or sell them at the best time, or sell them at prices close to their value as determined by the mutual fund. Non-liquid securities may also involve higher transaction fees than those related to liquid securities.

- The Fund investments are managed with the objective of reproducing the performance of the benchmark index. Consequently, the UCITS is subject to a **Tracking Error Risk**, which is the risk that the performance of the Fund's investments fails to reproduce that of the benchmark index. Although the Fund aims to be continuously fully invested, it may periodically need to hold a portion of its assets in the form of cash and cash equivalents. The ability of the mutual fund to obtain a substantial correlation between its performance and that of the benchmark index can be affected by the performance of the securities markets, changes in the composition of the index, the cash flows entering and exiting the mutual fund, as well as the applicable charges and fees. The mutual fund will strive to replicate the performance of the index – regardless of the current or predicted performance of the index or of the securities that make it up. In addition, the mutual fund will generally not sell a security included in the index as long as said security is part of the index, notwithstanding any sudden or substantial drop, or any substantial foreseeable drop, in the value of the security, even if the fund manager is able to make a different investment decision for other mutual funds holding that security. The performance of the mutual fund may thus be less favourable than that of a portfolio managed using an active management strategy. The structure and the composition of the index will affect the performance, volatility and risk of the index (in absolute terms and by comparison to other indices) as well as the performance, volatility and risk of the mutual fund. - Investors must also be aware that the mutual fund will be exposed to a **credit risk** on the parties with which it deals and may, in addition, incur **the risk of settlement failure**. It is possible that (i) the ability of an issuer to honour its bonds substantially declines in periods in which the mutual fund holds securities of said issuer, (ii) said issuer defaults on its bonds, or (iii) an issuer's bonds on a security held by the mutual fund are limited or restructured. Any real or perceived degradation of an issuer's ability to honour its bonds will probably have a negative effect on the value of the issuer's securities and on the net asset value of the mutual fund. The rating assigned to an investment does not necessarily reflect the current financial situation of the issuer or an evaluation of the volatility or liquidity of an investment. Even if "investment grade" investments present a lower credit risk compared to higher-rated investments, they can present certain common risks, including the possibility that their issuers are not able to make on-time interest and principal payments and thereby default on payments.

- **Securities lending risk:** The UCITS may participate in a securities lending programme established by State Street Bank and Trust Company. When the UCITS becomes involved in securities lending transactions, it becomes exposed to counterparty risk, since the borrower may fail to honour its obligations concerning the loan, become insolvent or default or refuse to settle its obligations inherent in the return of the loaned securities or their equivalent. In this case, the UCITS could experience delays in the return of the securities and incur a loss of capital. This could cause the net asset value of the Fund to drop. The exposure of the Fund to its counterparty could be mitigated since the counterparty could be required to pledge securities such as equities or debt securities. In the event of a counterparty's default or failure to return securities which are equivalent to those which were loaned, the UCITS could also incur a loss equal to the shortfall between the value of the securities received as collateral and the market value of the replacement securities. Such a shortfall can be explained by the incorrect appraisal of the securities received as collateral, unfavorable stock exchange fluctuations, a lack of liquidity in the markets on which the securities received as collateral are traded or a lowering of the credit rating of the counterparty in question. Participation in a securities lending programme established by State Street Bank and Trust Company could result in financial results that are less favourable than those of another securities lending programme present on the market or in a situation in which the UCITS lends its securities outside the programme. By virtue of the provisions of the securities lending contract in question, the designated lending agent may retain a portion of the revenues resulting from securities lending in order to cover the fees and expenses associated with this securities lending activity, including the delivery of the loaned securities, the handling of the guarantees and the management of the

compensation connected to securities lending; all costs and expenses will be paid at normal commercial rates.

- French and eurozone investors will be exposed to a **currency exchange risk**. The mutual fund is exposed to a currency risk when it acquires or is exposed to securities denominated in currencies other than that of the base currency of the mutual fund. Fluctuations in the values of these currencies relative to the base currency of the mutual fund may have a positive or negative effect on the value of the investments of the fund in these currencies. The mutual fund may, but is not obligated to, invest in currency contracts or other transactions related to currencies (including transactions on derivatives) in order to manage the exposure to different currencies. These contracts (i) can reduce or eliminate all or part of the profits that the mutual fund can obtain from favourable fluctuations and (ii) cannot guarantee the protection of the fund against unfavourable fluctuations.

- **Derivative products risk:** The use of derivatives by the UCITS may give rise to risks which are different from those associated with investments in securities and other more conventional investments. These risks include, among others, illiquidity, valuation, volatility, market, credit, counterparty, leverage effect, management or other risks linked to commodities related to such products, as well as the risk of losing more than the initial investment.

- **Conflict of interest risk:** Companies affiliated with the management company may offer services to the Fund, such as securities lending management, safekeeping, administration, accounting or paying agent services. The UCITS may conclude redemption agreements and carry out transactions on derivative products with companies affiliated with the management company. The UCITS may invest in mutual funds which are handled by the management company or the manager or which are otherwise affiliated with the latter or which are affiliated with any entity belonging to the State Street group. In this case, the UCITS will incur fees of an amount that is proportional to its underlying mutual funds. The latter may also pay fees to the management company or its affiliated companies, which could result in an increase in the charges payable by the UCITS. There is no guarantee that the rates at which the UCITS pays its fees and expenses to the management company or its affiliated companies, or the terms and conditions by virtue of which it concludes transactions with entities belonging to the State Street group, or by virtue of which it invests in said mutual funds are the most favorable in the market in general or are as favorable as those rates that the entities in question offer to their other clients. There will be no independent review of the fees or expenses paid to these entities or of the services that they provide. To promote its financial interests, the management company may be encouraged to carry out transactions or make arrangements in the name of the Fund with affiliated companies under certain circumstances. The conclusion of transactions with the management company or its affiliated companies or through their intermediary, or use of their services, will nevertheless take place in compliance with the applicable regulations. The management company and its affiliated companies provide investment consulting services to other customers and may make investment decisions on their own behalf and that of third parties, including other funds, which may differ from decisions that will be made by the management company on behalf of the Fund. In particular, the management company may provide asset allocation advice to certain customers including a recommendation for an investment or disinvestment in a fund, while it may not make the same recommendation to all customers invested in the same fund or similar funds.

Other conflicts of interest may arise, for example, when customers of a management company invest in different parts of an issuer's capital structure, so that one or more customers hold senior securities of an issuer while other customers hold lower-level securities issued by the same issuer, as well as when customers invest in different tranches of the same structured financial instrument. Under these circumstances, the triggering decisions in the case of a default or relating to the terms and conditions of an arrangement may result in conflicts of interest. When investment decisions are likely to give rise to a conflict of interests, the management company will make every effort to act in a fair and equitable manner, in accordance with its conflict of interest policy, with respect to the

fund in question and also to the other customers. Subject to the above, (i) the management company and its affiliated companies may invest on their own behalf and on behalf of customers in different senior securities, which are equal or lower or hold interests that differ or are opposed to the securities held by the UCITS and (ii) the management company may occasionally (subject to applicable laws) attempt to simultaneously purchase (or sell) investments for the UCITS and sell (or buy) the same investments for accounts, funds or structured products for which it is the asset manager, at the time in question or in the future, or for its customers or affiliates, and it may carry out cross transactions in these circumstances. Moreover, the management company and its affiliated companies may purchase or sell securities to the fund, if the applicable law allows it. These other relations may also trigger the application of the restrictions provided for by the securities law concerning transactions of the fund involving these instruments and thereby create potential conflicts of interest for the management company.

The management company, as part of its other professional activities, may become aware of significant undisclosed confidential information, which could prevent it from buying or selling securities for itself or its customers (including the UCITS) or from otherwise using this information to benefit its customers or itself.

- The mutual fund is exposed to the risk that geopolitical events could upset markets and bring about a downturn in world economies and markets. War, terrorism and related geopolitical events have caused, or could cause in the future, increased volatility of the short-term market and could have long-term negative effects on the world economy and on markets in general. These events, as well as other changes in economic and political conditions, could also be harmful to individual issuers or groups of linked issuers, to securities markets, interest rates, credit ratings, inflation, investor sentiments, as well as to other factors affecting the value of the investment portfolio. Ongoing uncertainty about the status of the euro and of the Economic and Monetary Union (the "EMU") has created major uncertainty with respect to currencies and financial markets in general. Any partial or total dissolution of the EMU or any persistent uncertainty about its status could have major negative effects on the monetary and financial markets, as well as on the value of the mutual fund's investments.

- **Subscribers concerned and standard investor profile:**

Subscribers concerned: All subscribers.

Standard investor profile: The Fund is open to both institutional and individual investors.

*For institutional investors,*

This Fund is particularly intended to be used as a core investment in a diversified portfolio of shares making up the benchmark. Its risk level, measured by the volatility of performance, should remain very close to that of the benchmark.

*For individual investors,*

There are a number of criteria which determine what percentage of an individual's total net assets should be invested in the Fund. These include the investor's total assets, his age, investment horizon and objectives, which could be saving for retirement or making a temporary investment for a project. Additional criteria include the overall level of risk tolerance, which could be assessed by the amount of losses the investor is prepared to take over a given time period, and tax considerations. Owing to the complexity of the factors to be taken into account, it is recommended that individual investors seek all the independent advice they require before deciding on their asset allocation and making any investment.

Recommended investment duration: More than five years.

- **Methods for determining and allocating distributable amounts from P, I and B shares:** Accumulation.
- **Frequency of distribution of P, I and B shares:** Not applicable.
- **Characteristics of P, I and B shares:**

P USD share denomination currency: US dollar.

I USD share denomination currency: US dollar.

I EUR and I NL EUR share denomination currency: Euro.

B share denomination currency: US dollar.

Planned fractioning: The shares may be split into ten-thousandths.

- **Subscription and redemption methods:**

Subscription methods and conditions:

Entries (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

The price applicable to subscriptions is the price resulting from the next net asset value, calculated on the basis of the closing prices of the next trading day. All entries of new shares must, subject to risk of becoming null and void, be fully paid up and the shares issued shall be entitled to the same dividends as the shares existing on the day of the issue. Subscriptions may be made in cash and/or by contribution of transferable securities. The Management Company has the right to refuse the securities proposed and as a result, has a period of seven days from their deposit to announce its decision.

The minimum initial entry amount is (original net asset value: USD 108.18).

*P USD shares:* The minimum amount of the initial entry is the value of one share (original net asset value: USD 108.18).

*I USD shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50 (the original net asset value on 25.02.09: USD 146.55).

*I EUR shares:* The minimum initial entry amount is equal to EUR 300,000. Subsequent entries must exceed EUR 50. (Original net asset value on 21 February 2012: {0><}100{>}EUR 135.01).

*I NL EUR shares:* The minimum amount of the initial subscription is EUR 300,000. {0><}100{>}Subsequent subscriptions must amount to over EUR 50.

*B shares:* The minimum initial entry should be an amount in USD equal to EUR 300,000. Subsequent entries must exceed the USD equivalent of EUR 50.

Institution appointed to receive subscriptions and redemptions:

The custodian: (State Street Banque SA).

Redemption methods and conditions:

Exit requests (by amount or by equity) are received every day up to 11:00 a.m. (Paris time).

All exit requests must include the deposit of the securities and fractions of securities; the exit price shall be paid within a maximum of five trading days subject to the provisions concerning the registered securities and fractions of securities. Redemptions may be made in cash and/or by contribution of transferable securities.

The redemption price is the price resulting from the next net asset value, calculated based on the closing prices of the next trading day.

When the Fund's net assets are less than the amount fixed by regulations, no shares or fractions of shares can be redeemed.

Investors may switch from one sub-fund to another by redeeming the units of the initial sub-fund and subscribing to units of the new sub-fund.

**How to change from one unit category to another:**

Transfers from one class of share to another are made by redeeming the shares in the original class and subscribing for shares of the new class.

There is no applicable entry or exit right.

The exit of shares is subject to the usual tax system applicable to exits.

**Determining the net asset value:**

The net asset value is established daily, except for Saturdays, Sundays, bank holidays in France and/or the United States, and days on which the stock market in Paris and/or New York is closed.

The net asset value is available every day on the Internet at [www.ssga.com](http://www.ssga.com), on Bloomberg <BALUTIX FP>, on Reuters <001846.FRF>, on the Reuters State Street Bank <SSBQE> page or it may be obtained from the management company at +33 (0)1 44 45 40 00.

• **Costs and fees:**

**Subscription and redemption fees:**

Fees payable by the investor, deducted when entries or exits are made	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Entry fees not retained by the Fund	net asset value x number of shares	2.00% maximum	5.00% maximum			
Entry fees retained by the Fund	net asset value x number of shares	0.10%				
Exit fees not retained by the Fund	net asset value x number of shares	None				
Exit fees retained by the Fund	net asset value x number of shares	0.05%				

Special procedures:

**Entry fees vested and unvested**

Cost-free cases: There is no initial entry charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind entry.

Instance of additional charge: In the event of an entry executed by a trading company located outside France, the promotion agent may charge a supplementary entry fee of up to a maximum of 5.50 %.

Exit fees vested and unvested

Cost-free cases: There is no exit charge in the event of exit followed by an entry on the same day, for the same amount, based on the same net asset value, or in case of in-kind exit.

Management fees:

Fees invoiced to the Fund	Basis	Rate scale				
		P shares USD	I USD shares	I EUR shares	I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network	B shares USD
Management fees and management fees outside the management company	Net assets After deducting FCP units or SICAV shares	1.30% tax-inclusive* Maximum rate	0.40% tax-inclusive* Maximum rate	0.30% tax-inclusive* Maximum rate	0.10% tax-inclusive* Maximum rate	
Transfer fees	Deducted from each transaction	EUR 100 maximum per transaction				
Outperformance fees	Net assets	None				

\*Within this maximum, financial management fees including the compensation for distributors is set at 1.20% tax-inclusive for P shares, at 0.30% tax-inclusive for I shares and at 0.20% tax-inclusive for I NL EUR shares Dedicated to the Netherlands Institutional Investors distribution network.

Financial management fees payable by the holders of B class shares shall be determined by the terms and conditions of the applicable qualified agreement.

Fees on securities lending transactions and any equivalent foreign transactions:

The revenue resulting from securities lending transactions are also fully received by the Fund, minus any direct or indirect operating fees generated by the transactions.

These fees paid are compensation for services delivered as part of securities lending transactions.

Such transactions are carried out through State Street Group entities.

Detailed information on this subject is available in the Fund's annual report.

Scale of transfer charges:

Transfer fees: EUR 100 maximum, including tax, per transaction, 100% retained by State Street Banque.



Foreign exchange and transfer fees: 0.25% maximum on the amount of transactions, fully retained by State Street Banque.

Procedure for choosing intermediaries:

All transactions for the account of the Fund are conducted with financial intermediaries which are certified through a strict selection procedure. The management company has implemented a process for full and detailed approval that takes into consideration the ratings of the counterparty, the financial health and the explicit or implicit guarantees, either from the parent company or from a governmental agency. The counterparties are approved for certain types of transactions.

**Sales-related information**

- **Steps taken for carrying out the exit or refund of shares:**

State Street Banque SA is in charge of share redemptions and refunds for the following countries:

- France
- Ireland
- Netherlands
- Italy
- Finland
- Spain

A paying agent agreement has been entered into with each of the entities listed below:

The clearing house is:

- Erste Bank (Austria)
- RBC DEXIA Investor Services Belgium SA (Belgium)
- State Street Bank GmbH (Germany)
- State Street Bank Luxembourg SA (Luxembourg)
- State Street Bank GmbH München Zweigniederlassung Zürich (Switzerland)
- Nordea Bank Denmark A/S (Denmark)
- SEB (SKANDINAVISKA ENSKILDA BANKEN) (Sweden)

- **Steps taken to ensure the distribution of Fund information:**

Where there is a paying agent agreement, the clearing house provides investors with information about the Fund.

A Facilities Agent Agreement has been entered into with each of the entities listed below. The Facilities Agent provides investors with information about the Fund.

The Facilities Agent is:

- State Street Global Advisors Ireland Limited (Ireland)

The representative in Switzerland (State Street Fondsleitung AG), provides investors with information about the Fund.

- **Where to obtain information on the criteria for adherence to social, environmental and governance quality (ESG):**

Information on the ESG criteria can be found on the company's website and in the annual report.

## General Investment Rules

The Fund complies with the investment procedures indicated in Articles L214-20 and R214-9 et seq. of the French Monetary and Financial Code *Code Monétaire et Financier*).

Method of calculating the global risk ratio: The commitment method.

## Asset valuation and accounting rules

The Fund complies with the accounting rules stipulated by the applicable legislation.

The annual financial statements have been prepared in accordance with the provisions of the French accounting regulation committee (CRC) published in Regulations 2003-02 of 2 October 2003 pertaining to the chart of accounts for mutual funds as amended.

Assets are valued as follows when calculating net asset value:

- listed French and foreign securities, at market value (closing price, source Thomson-Reuters)
- mutual funds at their latest known net asset value,
- commitments in forward and conditional markets are stated at settlement value,
- security repurchases at their contractual value,
- marketable debt securities are valued as follows:
  - . government bonds (BTAN and BTF) are valued on an actuarial basis applying rates published daily by Banque de France.
  - . other marketable debt securities are valued at market price.
  - . In the absence of material transactions, marketable debt securities are valued according to an actuarial method, with the discount rate including a margin that represents the intrinsic features of the issuer.
  - . for marketable debt securities with a maturity up to or less than three months, the valuation methods may be simplified in accordance with regulations set by the AMF, the French financial markets authority
    - the average currency rates published by WM Company/Reuters daily at 4:00 pm (London time)

The translation of off-balance sheet commitments for forward firm contracts results in an increase in the number of contracts by face value, clearing price and possibly forex price.

Equities swaps are valued as follows:

- the borrowing portion representing the fixed rate payable is valued on a straight-line basis,
- the lending portion representing the variance of the underlying security's price is valued at the closing price.

Assets denominated in foreign currencies are updated on the basis of the exchange rates used for the valuation.

Interest on fixed income securities is recorded in accordance with the effective interest rate method.

The UCITS distributes the entire net income, to the nearest rounded figure, to Shareholders of distribution shares. The net realised capital gains are fully accumulated. The UCITS accumulates all distributable amounts which correspond to accumulation shares..