

**Lyxor Index Fund**  
Société d'Investissement à Capital Variable  
Registered office at : 28-32, Place de la gare, L - 1616 Luxembourg  
RCS Luxembourg B 117.500  
(the “**Company**”)

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**NOTICE TO THE SHAREHOLDERS OF LYXOR INDEX FUND - LYXOR BOFAML \$ HIGH YIELD BOND UCITS ETF (THE “SUB-FUND”)**

**Amendment to the Prospectus and the Key Investor Information Document of the Sub-Fund**

Terms not specifically defined herein shall have the same meaning as in the articles of incorporation (the “**Articles**”) and in the latest Prospectus of the Company.

Luxembourg, 31 December 2020,

Dear Shareholders,

The Management Company and the board of directors of the Company (the “**Board**”) hereby inform the shareholders of the Sub-Fund (the “**Shareholders**”) that they have decided the changes detailed below in relation to the Sub-Fund (the “**Changes**”).

**I. Change of the Benchmark Index**

The Benchmark Index will change from the Previous Benchmark Index to the New Benchmark Index (the “**Index Switch**”) as specified in the following table:

<b>Sub-Fund name</b>	<b>Previous Benchmark Index</b>	<b>New Benchmark Index</b>
LYXOR INDEX FUND – Lyxor BofAML \$ High Yield Bond UCITS ETF	BofA Merrill Lynch US High Yield Constrained Index	Bloomberg Barclays MSCI US Corporate High Yield SRI Sustainable Index

The aim of the Index Switch is to provide the Shareholders with an exposure to the New Benchmark Index that grants a broader exposure to USD denominated high yield corporate bond market.

In addition, the New Benchmark Index positively screens issuers based on MSCI ESG methodology, which are a “best in class” assessment of how well an issuer manages ESG risks relative to its industry peer group.

The New Benchmark Index is a bond index, calculated, maintained and published by Bloomberg Barclays Indices.

A full description of the New Benchmark Index and its construction methodology and information on the composition and respective weightings of the New Benchmark Index components are available on the index provider's website at <https://www.bloomberg.com/professional/product/indices/bloomberg-barclays-indices/> and in the Prospectus.

## II. Process of the Index Switch

The Index Switch will be implemented over a period of 26 Business Days (the “Index Switch Period”).

On each Wednesday (W) of the Switch Period (W=1 being the first Wednesday of the Index Switch Period and W=6 the last Wednesday of the Index Switch Period), the exposure will be adjusted such as:

- $(6 - W) * 16.7\%$  of the portfolio is exposed to the Previous Benchmark Index, and
- $W * 16.7\%$  is exposed to the New Benchmark Index.

The Index Switch Period will start on **03 February 2021** (at the opening of the trading day) and will end on **11 March 2021** (the “Effective Date of the Index Switch”) as detailed in the table below:

				<b><i>Calendar 1 High Yield</i></b>	
<b>Benchmark Index Switch Day T</b>	<b>Date</b>	<b>Day of the week</b>	<b>Wednesday number of the Switch Period W</b>	<b>Previous Benchmark Index exposure (at the opening of the trading day)</b>	<b>New Benchmark Index exposure (at the opening of the trading day)</b>
0	03/02/2021	Wednesday	1	100%	0.0%
<b>1</b>	<b>04/02/2021</b>	<b>Thursday</b>	-	<b>83.3%</b>	<b>16.7%</b>
2	05/02/2021	Friday	-	83.3%	16.7%
3	08/02/2021	Monday	-	83.3%	16.7%
4	09/02/2021	Tuesday	-	83.3%	16.7%
5	10/02/2021	Wednesday	2	83.3%	16.7%
<b>6</b>	<b>11/02/2021</b>	<b>Thursday</b>	-	<b>66.7%</b>	<b>33.3%</b>
7	12/02/2021	Friday	-	66.7%	33.3%
8	15/02/2021	Monday	-	66.7%	33.3%
9	16/02/2021	Tuesday	-	66.7%	33.3%
10	17/02/2021	Wednesday	3	66.7%	33.3%
<b>11</b>	<b>18/02/2021</b>	<b>Thursday</b>	-	<b>50.0%</b>	<b>50.0%</b>
12	19/02/2021	Friday	-	50.0%	50.0%
13	22/02/2021	Monday	-	50.0%	50.0%
14	23/02/2021	Tuesday	-	50.0%	50.0%
15	24/02/2021	Wednesday	4	50.0%	50.0%
<b>16</b>	<b>25/02/2021</b>	<b>Thursday</b>	-	<b>33.3%</b>	<b>66.7%</b>
17	26/02/2021	Friday	-	33.3%	66.7%
18	01/03/2021	Monday	-	33.3%	66.7%
19	02/03/2021	Tuesday	-	33.3%	66.7%
20	03/03/2021	Wednesday	5	33.3%	66.7%
<b>21</b>	<b>04/03/2021</b>	<b>Thursday</b>	-	<b>16.7%</b>	<b>83.3%</b>
22	05/03/2021	Friday	-	16.7%	83.3%

23	08/03/2021	Monday	-	16.7%	83.3%
24	09/03/2021	Tuesday	-	16.7%	83.3%
25	10/03/2021	Wednesday	6	16.7%	83.3%
<b>26</b>	<b>11/03/2021</b>	<b>Thursday</b>	-	<b>0.0%</b>	<b>100.0%</b>

### III. Change of name of the Sub-Fund

The name of the Sub-Fund will be changed as from the Effective Date of the Index Switch as follows:

Previous name	New name
LYXOR INDEX FUND – Lyxor BofAML \$ High Yield Bond UCITS ETF	LYXOR INDEX FUND – Lyxor USD High Yield UCITS ETF

### IV. Change of the replication method

**The index replication method carried out by the Sub-Fund will change from Indirect Replication to Direct Replication (the “Replication Method Switch”).**

The Replication Method Switch will be performed between 11 March 2021 and 11 September 2021 (the “**Effective Date of the Replication Method Switch**”). Once the Replication Method Switch has been implemented a notice will be made available on [www.lyxoretf.com](http://www.lyxoretf.com) confirming the Effective Date of the Replication Method Switch.

The exposure to the performance of the New Benchmark Index will be achieved by way of Indirect Replication as further described in the Prospectus.

Once the Replication Method Switch is effective, the Sub-Fund will carry out its Investment Objective by directly investing in a portfolio of transferable securities or other eligible assets that will typically comprise the constituents composing the New Benchmark Index. In order to optimize such Direct Replication method and to reduce the costs of investing directly in all constituents of its New Benchmark Index, the Sub-Fund may decide to use optimization techniques such as “sampling” that consists in investing in a selection of representative constituents of the New Benchmark Index as more fully described in section III “Investment Objectives and Policies” of the Prospectus.

Please note that the Replication Method Switch concerns only the way the Sub-Fund aims to track the performance of the New Benchmark Index.

### V. Second Change of the name of the Sub-Fund

We draw the Shareholder’s attention to the fact that the name of the Sub-Fund will change as from the Effective Date of the Replication Method Switch:

Previous name	New name
Lyxor Index Fund – Lyxor USD High Yield UCITS ETF	Lyxor Index Fund – Lyxor <b>ESG</b> USD High Yield <b>(DR)</b> UCITS ETF

## **VI. Additional Changes**

- the cut-off time of the Sub-Fund as of the Effective Date of the Replication Method Switch and as reflected in the “Summary table of the sub-fund’s dealing timeline” of the Prospectus shall be amended from 6:30 p.m. to **4:45 p.m.** Luxembourg time at the latest;
- In the event of Suspension of the Secondary Market the following exit charges will apply (in replacement of the Upfront Redemption Sales Charge): 3% of the Net Asset Value per Share multiplied by the number of shares redeemed.

**The Sub-Fund will bear the costs associated with the Changes. The attention of the Shareholders is drawn to the fact that the costs linked to the Changes could have a negative impact on the net asset value of the Sub-Fund.**

**The Sub-Fund will retain all their other characteristics, in particular the codes used in trading and the total fees.**

- **In case where the Shareholders do not agree with these Changes, the Shareholders who usually subscribe or redeem Shares in the Sub-Fund on the primary market may redeem their Shares without fee during a period of one month as from the date of this notice;**
- **We draw Shareholders’ attention to the fact that if the Sub-Fund’s Shares are sold on a market or exchange, the Shareholders may be charged broker fees on to the sale of (a) Share(s) in said Sub-Fund;**
- **In case where the Shareholders agree with the Changes, no action is required from the Shareholders.**

Following the implementation of the Changes, the Prospectus and the Key Investor Information Document of the Sub-Fund will be amended accordingly.

The new Prospectus and Key Investor Information Document of the Sub-Fund may be obtained on request from the Management Company to [client-services-etf@lyxor.com](mailto:client-services-etf@lyxor.com), or consulted as from the Effective Dates of the Changes on the following website: [www.lyxoretf.com](http://www.lyxoretf.com).

For any questions, do not hesitate to contact Lyxor Client Services at the following contact details: Phone number +33 (0)1 42 13 42 14 – Email address: [client-services-etf@lyxor.com](mailto:client-services-etf@lyxor.com).

Yours sincerely,

For the Board of Directors