

Adequity Trust (the “Trust”)

Trigger Capital Guaranteed Fund

Lyxor Agriculture Fund

Lyxor Alpha Equity Fund – Nikkei 225

Lyxor China A Fund

Lyxor China A50 AUD 100% Capital Guaranteed Fund

Lyxor Dynamic Alternative Energy Fund

Lyxor Dynamic Water Fund

Lyxor Multi Assets 100% Capital Guaranteed Fund – 3.0% Total Coupon

Lyxor Dynamic Listed Private Equity Fund

Lyxor China A/H Shares Opportunities Fund

(Sub-Funds of the Trust)

Notice to Unitholders

This notice is important and requires your immediate attention. If you are in doubt about the contents of this notice, you should seek independent professional financial advice.

To all Unitholders

Amendment and Restatement of the Trust Deed of the Trust

We, as the Manager of Adequity Trust (the “Trust”) and its sub-funds listed above (each a “Sub-Fund” and together the “Sub-Funds”), are writing to inform you of a number of changes to the trust deed of the Trust dated 7 March 2002 (as amended) (the “Trust Deed”). These changes are important, but no action is required by you.

A. Method of distribution of financial reports and the language of the financial reports

With effect from 6 March 2012, the Trust and the Sub-Funds will only prepare annual and semi-annual reports and accounts in English. The financial reports will be available in the “Financial report” section of the Sub-Fund’s “Fund Fact Sheet” page from the Manager’s website at www.lyxor.com.hk/en/services/quotes/search.php*. Unitholders will be notified when the reports are published. Hard copies of these financial reports may also be obtained from the Hong Kong Representative of the Trust free of charge. The above describe measures will apply to the audited annual report for the year ended 31 January 2012.

* The website has not been reviewed by the SFC.

B. Expansion of investment restrictions

With effect from 6 March 2012, the investment restrictions of the Trust and the Sub-Funds are expanded to allow the Sub-Funds to invest more than 10% of its net asset value in one or more SFC-authorized schemes or recognized jurisdiction schemes (“**Underlying Scheme**”), provided that no more than 30% of a Sub-Fund’s total net asset value may be invested in any one of Underlying Scheme; and more than 30% of the net asset value of a Sub-Fund may be invested in an Underlying Scheme which is a SFC-authorized scheme if the Underlying Scheme is specifically named in the offering document of the scheme and its key investment information is disclosed therein.

Each Underlying Scheme’s investment objective may not be to invest primarily in any investment prohibited by Chapter 7 of the Code on Unit Trusts and Mutual Funds (the “**Code**”). Where the Underlying Scheme’s investment objective is to invest primarily in investments restricted under Chapter 7 of the Code, such holdings may not be in contravention of the relevant limitation.

Each Sub-Fund may, in aggregate, invest up to 10% of its total net asset value in other collective investment schemes which are not SFC-authorized schemes and are not recognized jurisdiction schemes.

In addition, the following changes are made to the investment restrictions of the Trust and the Sub-Funds pursuant to the revised Code effective as from 25 June 2010 (the “**Revised Code**”):

APPLICABLE PROVISION IN THE REVISED CODE	RELEVANT CLAUSE IN THE TRUST DEED	SUMMARY OF CHANGES
7.3	Definition of “Quoted Investment”	The value of a scheme’s holding of securities neither <u>listed</u> , quoted nor dealt in on a market may not exceed 15% of its total net asset value.
7.14	13.6.2	A Sub-Fund may not invest in any type of real estate (including buildings) or interests in real estate (including options or rights but excluding shares in real estate companies and interest in real estate investment trusts that are listed on a stock exchange)

C. Change of Notice Period in relation to increase in Management Fees and Trustee Fees

With effect from 6 March 2012, in accordance with the provisions of Chapter 11.1 and 11.1A of the Revised Code, the notice period under which the Manager or the Trustee (as the case may be) will respectively give Unitholders written notice of any increase in the rate of Management Fee or Trustee Fee (as the case may be) up to the maximum level permitted under the Trust Deed will be changed from three months to **one month**.

D. Other changes to the Trust Deed

The Trust Deed and has also been amended to (i) ensure compliance with the Revised Code and (ii) to correct typographical errors.

The following changes are made in compliance with the Revised Code:

APPLICABLE PROVISION IN THE REVISED CODE	RELEVANT CLAUSE IN THE TRUST DEED	SUMMARY OF CHANGES	EFFECTIVE DATE
6.14	10.4.6	<p>The maximum interval between the receipt of a properly documented request for redemption of units/shares and the payment of the redemption money to the holder may not exceed one calendar month <u>or such longer period permitted under the Revised Code subject to the SFC's prior approval.</u></p> <p><i>(Under Chapter 6.14 of the Revised Code, where a fund invests a substantial portion of investments in a market which is subject to legal or regulatory requirements (such as foreign currency controls) which render the payment of redemption money within the 1 calendar month timeframe not practicable, the fund may extend the timeframe for payment of redemption money to reflect the additional time needed in light of the specific circumstances in the relevant market.)</i></p>	From 6 March 2012
7.11C	13.1.5D	<u>Where a Sub-Fund invests in any Underlying Scheme managed by the Manager or its connected persons, all initial charges on the Underling Scheme will be waived.</u>	6 February 2012
7.11D	13.1.5E	<u>The Manager will not obtain a rebate on any fee or charges levied by an Underlying Scheme or the management company of such Underlying Scheme.</u>	6 February 2012

Except for the amendments described in paragraphs A to C above and as otherwise provided in this notice, amendments to the Trust Deed as described in this notice will take effect from 6 February 2012. The amended and restated Trust Deed is available for inspection free of charge at the offices of the Hong Kong Representative of the Trust and copies thereof may be obtained from the Hong Kong Representative at a reasonable cost.

We accept responsibility for the accuracy of the contents of this notice at the date of publication, and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there is no omission of facts which would make any statement in this notice misleading.

If you have any questions about this notice, please contact the Hong Kong Representative of the Fund in writing at Level 38, Three Pacific Place, 1 Queen's Road East, Hong Kong. Tel: (852) 2166 4266.

Lyxor Asset Management

6 February 2012

Adequity Trust : Lyxor Agriculture Fund

Explanatory Memorandum dated June 2010 Fund Specific Memorandum dated November 2009 Amendments dated 25 June 2011

Important: Investments involve risks. Investors may sustain a total loss of their investment in the fund. Investors should note that:

- The Fund aims to provide a return linked to the agricultural field via (a) a core exposure (target at 80%) to agricultural goods (including both soft and grain commodity futures) and (b) a satellite exposure (target at 20%) to listed companies having their key business in the area of the agricultural sector.
- The Fund will be exposed to concentration risks in the global agricultural field represented by the Dow Jones-UBS Agriculture Subindex Total Return and the SGI Global Agriculture (USD) Index. Investors realising their units on any valuation day will be fully exposed to the performance of these reference indices which could result in them receiving a realisation price per unit below the issue price per unit as at either the launch date or the relevant valuation day.
- The commodity markets (including the markets for goods) generally are subject to greater risks than other markets, including potentially significant legal risks. The prices of commodities and the futures prices can be highly volatile. The Fund may be more volatile than other funds investing in diversified investment sectors, and the Fund may be subject to rapid cyclical changes in investor activity.
- The Fund may not invest in the constituent stocks or the commodity futures of the reference indices. In order to achieve its investment objective, it will invest principally in a portfolio of international blue-chip listed shares and a swap agreement with Société Générale ("SG") as the counterparty. SG is a licensed bank incorporated in and operating under the laws of France.
- As the counterparty of the swap agreement is SG, the Fund is exposed to the counterparty risks of SG. In the event of default of SG, the Fund may need to be terminated, and investors may suffer significant losses, depending on the then market value of the portfolio of international blue-chip listed shares held by the Fund.
- The investment decision is yours but you should not invest in the Fund unless the intermediary who sells it to you has explained to you that the fund is suitable for you having regard to your financial situation, investment experience and investment objectives.

Adequity Trust (the “Trust”):
Lyxor Agriculture Fund (the “Fund”) -
Amendments to the Explanatory Memorandum of the Trust
and the Fund Specific Memorandum of the Fund

The following amendments have been made to the Explanatory Memorandum of the Trust dated June 2010 (the “EM”) and the Fund Specific Memorandum of the Fund dated November 2009 (the “FSM”). These amendments form part of the EM and the FSM and should be read in conjunction with the EM, the FSM and the Product Key Facts Statement.

Unless otherwise specified, these amendments shall take effect on 25 June 2011.

(1) Amendment in the sub-section headed “Trustee” in the section headed “MANAGEMENT AND ADMINISTRATION” in the EM

The second paragraph in the sub-section headed “Trustee” of the section headed “MANAGEMENT AND ADMINISTRATION” in the EM shall be deleted in its entirety, and shall be replaced by the following:

“Close Trustees (Cayman) Limited is the wholly owned subsidiary of Close Brothers (Cayman) Limited (“Close Brothers”) and provides clients with trustee services in the Cayman Islands. Close Brothers through its predecessors has operated in the Cayman Islands for well over 30 years and employs more than 60 people at its offices in George Town and offers a full range of financial services including mutual fund administration. Close Brothers is a subsidiary of Intertrust Group. Intertrust is a recognized quality leader in the Trust and Corporate Services domain, providing a broad range of commercial, legal, tax and administrative services to companies and high net worth individuals. Operating with 1,000 employees in 28 offices in 19 countries, including Hong Kong, Singapore, China and a strong presence in Europe, Intertrust combines a global reach with the local knowledge and cultural understanding to serve clients internationally”

(2) Amendment in the sub-section headed “Accounts and Reports” in the section headed “GENERAL INFORMATION” in the EM

The sub-section headed “Accounts and Reports” of the section headed “GENERAL INFORMATION” in the EM shall be deleted in its entirety, and shall be replaced by the following:

“The Trust’s year end is 31st January in each year. Audited annual reports are sent to Unitholders within four months of the end of each financial year. The Manager also sends semi-annual unaudited interim reports as of the last Valuation Day in July each year to Unitholders within two months of the end of the period which they cover. Such reports will contain a statement of the value of the net assets of each Fund and the investments comprising its portfolio. Both English and Chinese versions of the annual report and the semi-annual report of the Trust and each of the Funds will be available. Unitholders will be given at least one month’s prior notice of any change to the mode of delivery of the annual reports and the semi-annual reports.”

(3) Amendment in the sub-section headed “Documents Available For Inspection” of the section headed “GENERAL INFORMATION” in the EM

The sub-section headed “Documents Available For Inspection” of the section headed “GENERAL INFORMATION” in the EM shall be deleted in its entirety, and shall be replaced by the following:

"Copies of the Trust Deed, the Supplemental Trust Deeds, the Guarantee documentation (if applicable), the Custodian Agreement, the Deed of Novation, the Hong Kong Representative Agreement, the Registrar's Agent Agreement (in the event a Registrar's Agent has been appointed), the Supplemental Deed, the Notice of Establishment and the risk management and control policy employed by the Manager are available for inspection free of charge at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Hong Kong Representative."

(4) Addition of a new sub-section headed "Enquires and Complaints" in the section headed "GENERAL INFORMATION" in the EM

The following sub-section headed "Enquires and Complaints" shall be added as the last sub-section under the section headed "GENERAL INFORMATION" in the EM:

"Investors may seek clarification or make any complaints about the Trust or any of the Funds by contacting the Hong Kong Representative for the relevant Fund in writing at its address. As of the date of this Explanatory Memorandum, the Hong Kong Representative for all of the Funds is SG Securities (HK) Limited with address at Level 38, Three Pacific Place, 1 Queen's Road East, Hong Kong. Under normal circumstances the Hong Kong Representative will issue a response in writing within 10 Business Days of receipt of the question or complaint."

(5) Addition of a new section headed "RISK MANAGEMENT POLICY" in the FSM

The following section headed "RISK MANAGEMENT POLICY" shall be added a new section immediately after the section headed "INVESTMENT AND BORROWING RESTRICTIONS" in the FSM:

"RISK MANAGEMENT POLICY

To effectively measure and manage the risk associated with the investments made by the Fund, the Manager has implemented a Risk Management and Control Policy applicable to the Fund.

The Risk Management and Control Policy encompasses the following three areas of responsibilities:

- (a) Description of the risk management policies and procedures that have been established to ensure that the Fund does not take on excessive or unintended risk and that identified risks are controlled and managed. In addition, operational procedures have been established to ensure the Fund remains in compliance with all risk management and control policies;
- (b) Supervision of the Fund's service providers, including the establishment and the follow-up of the relationship with the Custodian and administrative agent etc. and periodic liaison with the external and independent auditors of the Fund, especially during the preparation of the annual and semi-annual reports; and
- (c) Other duties such as the reporting functions, which includes all statutory financial reporting and the assistance in the governance of the Fund.

Insofar as paragraph (a) above is concerned, under the Risk Management and Control Policy, the first level (ex ante) and the second level (ex post) controls are implemented to ensure that the Fund will comply with both regulatory and internal requirements. The risk and internal control departments of the Manager play a central role in supervising and implementing the procedures described under the Risk Management and Control Policy. In particular the following two-tier control system is implemented:

The first level controls consist of setting up and implementing in the fund management process regulatory and internal limits such as but not limited to:

- Authorized instruments
- Leverage limits: to control the leverage embedded into the funds
- Liquidity limits: to select the instruments for investment according to liquidity requirement such as average daily volume
- Diversification limits: to ensure the funds have a sufficiently diversified allocation
- Country risk limits
- Rating limits: applied for issuers of instruments and to select derivatives counterparty
- Holding ratios: to ensure the funds are not holding a disproportionnal share of a given instrument
- Specific Instruments dedicated limits when relevant

The second level controls consist of monitoring the requirements during each valuation process through the use of the Manager's valuation system and other dedicated risk systems. The Manager's systems provide a precise calculation of each investment limit and files the historical data so that these data will be available for inspection. If any investment limit is breached, an alert will immediately be sent by the risk and internal control departments of the Manager to the Fund Management Department so that the situation can be remedied as soon as possible.

For the purpose of calculating the Fund's global exposure relating to financial derivative instruments acquired for investment purpose, the commitment approach shall be used, whereby the derivative positions of the Fund are converted into the equivalent position in the underlying assets embedded in those derivatives, taking into account the prevailing value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

The Risk Management and Control Policy employed by the Manager is available for inspection free of charge at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the office of the Hong Kong Representative."

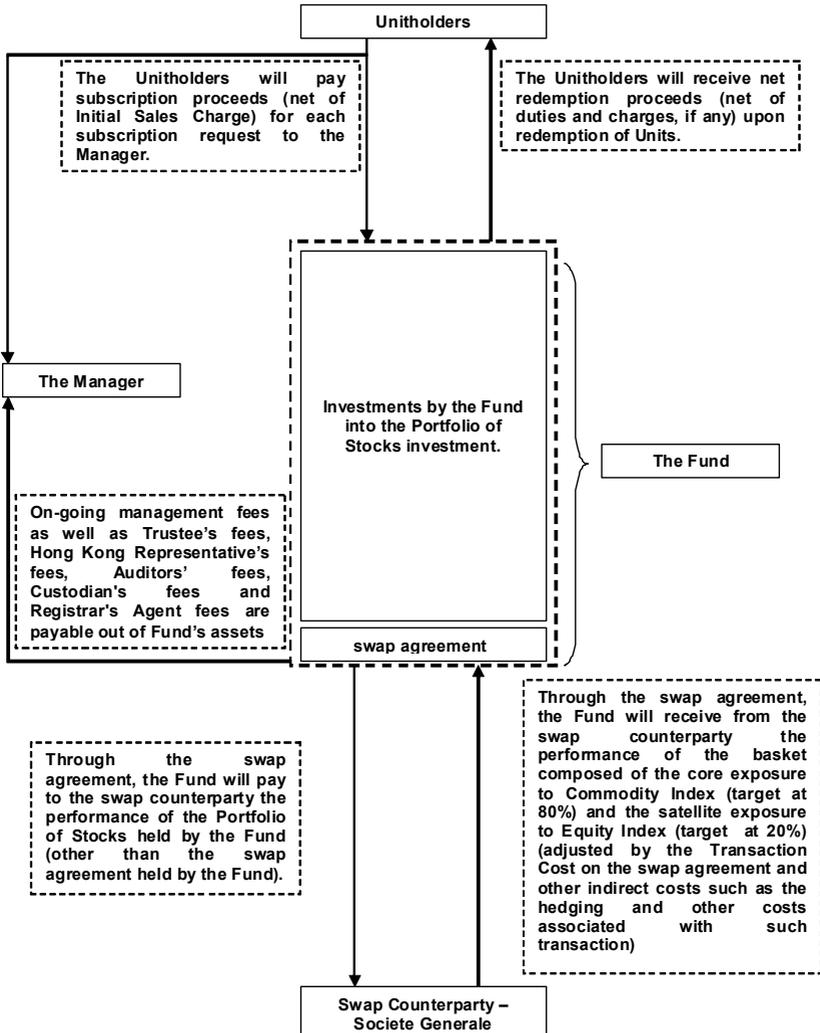
(6) Amendment to the section headed "INVESTMENT POLICY" in the FSM

The third paragraph in the sub-section headed "Swap Agreement" of the section headed "INVESTMENT POLICY" in the FSM shall be deleted in its entirety, and shall be replaced by the following:

"The counterparty of the swap agreement is Société Générale. Société Générale is a lending institution established in France on 8 May 1864 by an authorization decree signed by Napoleon III and having its registered office at 50 Boulevard Haussmann F-75431 Paris Cedex 09 France with a paid up capital of EUR 933,027,039 as of 31 December 2010. As of 31 May 2011, Société Générale was awarded a rating of Aa2 by Moody's, A+ by Standard & Poor's and A+ by FITCH-AMR."

The following paragraph shall be added at the end of the section headed "INVESTMENT POLICY" in the FSM

"The Fund's investment as described above is illustrated in the diagram below:



(7) Amendment and Addition to the section headed "RISK FACTORS" in the FSM

The following sub-section shall replace the sub-section called "(e) Connected Parties' Transactions Risks" in the section headed "RISK FACTORS" in the FSM:

"(e) Connected Parties' Transactions risk - Investors should note that the Manager, the Custodian, the Hong Kong Representative, the counterparty of the swap agreement and the Equity Index Sponsor (as defined in Part 2 of this Fund Specific Memorandum) are all part of the Société Générale group, and member(s) of the Société Générale group may also act as the counterparty(ies) in relation to the Fund's transaction(s). However, each of such entities operates independently in assuming its duties and obligations in relation to the Fund, and is subject to the supervision of the relevant industry regulator(s). All transactions and dealings between such entities in relation to the Fund shall be dealt with on arm's length basis, having regard to the terms of the Trust Deed, and in compliance with the relevant laws, regulations and regulatory codes applicable to such entities. In the unlikely event that conflicts of interest shall arise, the Manager in conjunction with the Trustee shall seek to ensure that Unitholders shall be treated fairly."

Lyxor Asset Management
25 June 2011

TABLE OF CONTENTS

Heading	Page Number
EXPLANATORY MEMORANDUM	1
DEFINITIONS	4
INTRODUCTION	5
MANAGEMENT AND ADMINISTRATION	5
Manager	5
Trustee	6
Registrar's Agent	7
The Custodian	7
Hong Kong Representative	7
INVESTMENT AND BORROWING RESTRICTIONS	7
Investment and Borrowing Restrictions	7
General	7
ISSUE OF UNITS	7
REALISATION OF UNITS	8
Realisation Procedure	8
Payment of Realisation Proceeds	8
Restrictions on Realisation	9
CALCULATION OF NET ASSET VALUE AND PUBLICATION OF PRICES	9
Calculation of Net Asset Value	9
Suspension of Calculation of Net Asset Value.....	10
Calculation of Issue and Realisation Prices	10
Publication of Prices	11
CHARGES AND EXPENSES	11
Service Providers Fees	11
Other Charges and Expenses	11
Cash Rebates and Soft Commissions.....	11
TAXATION	12
Cayman Islands	12
Hong Kong	12
General.....	12
GENERAL INFORMATION	13
Accounts and Reports	13
Trust Deed.....	13
Segregation of Assets	13
Voting Rights	13
Modification of Trust Deed	13
Meetings of Unitholders	14
Transfer of Units	14
Compulsory Realisation of Units	14
Termination of the Trust	14
Conflicts of Interest	15
Regulation of the Trust in the Cayman Islands	15
Documents Available For Inspection	16

TABLE OF CONTENTS

Heading.....	Page Number
FUND SPECIFIC MEMORANDUM	17
ADEQUITY TRUST: LYXOR AGRICULTURE FUND	17
PART 1	18
DEFINITIONS.....	18
INVESTMENT OBJECTIVES AND POLICIES.....	20
<i>Currency Denomination</i>	<i>20</i>
<i>Investment Objectives and Policy</i>	<i>20</i>
INVESTMENT POLICY	20
Portfolio of Stocks investment:	21
Swap agreement:	21
DISTRIBUTION POLICY	22
INVESTMENT AND BORROWING RESTRICTIONS	22
PUBLICATION OF PRICES	24
RISK FACTORS.....	24
ISSUE OF UNITS	26
Initial Issue of Units in the Fund.....	26
Subsequent Issue of Units.....	27
Initial Sales Charge	27
Application procedure	27
Minimum Investment	28
Payment Procedure	28
REALISATION OF UNITS.....	28
CHARGES AND EXPENSES.....	29
Management Fees.....	29
Transaction Cost on the Swap Agreement.....	29
Trustee's Fees, Hong Kong Representative's Fees, Auditors' Fees, Custodian's Fees and Registrar's Agent Fees.....	29
Other Fees	30
Establishment Costs and Expenses	30
TERMINATION OF THE FUND	30
ADJUSTMENT ON THE COMMODITY INDEX AND THE EQUITY INDEX.....	30
PART 2	32
DETAILS OF THE COMMODITY INDEX AND THE EQUITY INDEX	32

EXPLANATORY MEMORANDUM

Date: June 2010

IMPORTANT INFORMATION FOR INVESTORS

Important - If you are in any doubt about the contents of this Explanatory Memorandum, you should seek independent financial advice.

This Explanatory Memorandum comprises information relating to Adequity Trust (the "Trust"), a unit trust established under Cayman Islands law by a trust deed dated 7 March 2002 and a supplemental trust deed dated 27 October 2005 both between Lyxor Asset Management as manager (the "Manager") and Scotiabank & Trust (Cayman) Ltd (previously called The Bank of Nova Scotia Trust Company (Cayman) Limited) as trustee, and a supplemental trust deed dated 13 June 2007 between the Manager, Scotiabank & Trust (Cayman) Ltd as retiring trustee and Close Trustees (Cayman) Limited as new trustee (the "Trustee").

This Memorandum should be read with each Fund Specific Memorandum attached hereto.

The Manager and its directors accept sole responsibility for the information contained in this Explanatory Memorandum and each Fund Specific Memorandum (together the "Offering Documents") as being accurate at their respective date(s) of publication and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement contained in such documents misleading. However, neither the delivery of the Offering Documents nor the offer or issue of Units in the Trust shall under any circumstances constitute a representation that the information contained in the Offering Documents is correct as of any time subsequent to such date(s). The Offering Documents may from time to time be updated. Intending applicants for Units should ask the Manager if any supplements to the Offering Documents or any later Explanatory Memorandum or Fund Specific Memorandum has been issued.

Distribution of the Offering Documents must be accompanied by a copy of the latest available audited annual report and accounts of the Trust and any subsequent interim report. Units are offered on the basis only of the information contained in the Offering Documents and (where applicable) the above mentioned annual reports and accounts and interim reports. Any information given or representations made by any dealer, salesman or other person and (in either case) not contained in the Offering Documents should be regarded as unauthorised and accordingly must not be relied upon.

The Trust has been authorised by the Securities and Futures Commission in Hong Kong. In granting such authorisation the Securities and Futures Commission takes no responsibility for the financial soundness of the Trust or for the accuracy of any of the statements made or opinions expressed in the Offering Documents and does not imply that investment in the Trust is recommended by it.

No action has been taken to permit an offering of Units or the distribution of the Offering Documents in any jurisdiction other than Hong Kong where action would be required for such purposes. Accordingly, the Offering Documents may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised.

In particular:-

- (a) Units have not been registered under the United States Securities Act of 1933 (as amended) and, except in a transaction which does not violate such Act, may not be directly or indirectly offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or for the benefit of a US Person (as defined in Regulation S under such Act);
- (b) the Trust has not been and will not be registered under the United States Investment Company Act of 1940 as amended.

Units are not being offered to or for the benefit of nationals, citizens or residents of the United States of America or persons who are normally resident in the United States of America (including the estates of such persons and corporations or partnerships created or organised therein).

Save as otherwise specified in respect of a given Fund, the Units may only be offered or sold to investors who meet the following requirement:

Investors who are non-“United States persons.” For this purpose, “United States” means the United States, its states, territories and possessions, and any enclave of the United States government, its agencies or instrumentalities, and the following persons are considered to be non-“United States persons”: (1) a natural person who is not a resident of the United States; (2) a partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction; (3) an estate or trust, the income of which is not subject to United States federal income tax regardless of source, provided that no executor or administrator of such an estate or trustee of such a trust, as the case may be, is a “United States person;” (4) an entity, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction, organized principally for passive investment such as a pool, investment company or other similar entity, provided that: (a) units of participation in the entity held by persons who do not qualify as non-United States persons or otherwise as “Qualified Eligible Persons” under Commodity Futures Trading Commission (“CFTC”) rules represent in the aggregate less than 10% of the beneficial interest in the entity; (b) such entity was not formed principally for the purpose of facilitating investment by “United States persons” in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC’s regulations by virtue of its participants being non-United States persons;” and (c) such entity was not formed by a “United States person” principally for the purpose of investing in securities not registered under the United States Securities Act of 1933 (unless it was organized or incorporated and is owned exclusively by “accredited investors,” as defined in Securities and Exchange Commission rules, who are not natural persons, estates or trusts); and (5) a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside of the United States, provided that such plan is established and administered in accordance with the laws of a country other than the United States and customary practices and documentation of such country.

The Offering Documents do not constitute, and shall not be construed as, an invitation to the public in the Cayman Islands to subscribe for Units in the Fund.

Potential applicants for Units should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, holding or disposal of Units.

DIRECTORY OF PARTIES

Manager and Registrar

LYXOR ASSET MANAGEMENT
17 Cours Valmy - Tour Société Générale
92800 Puteaux France

Directors of the Manager

Alain Dubois, Laurent Seyer

Guarantor

SOCIÉTÉ GÉNÉRALE
29, Boulevard Haussmann
75009 Paris
France

Trustee

CLOSE TRUSTEES (CAYMAN) LIMITED
PO Box 1034
Harbour Place
4th Floor
103 South Church Street
Grand Cayman KY1-1102
Cayman Islands
British West Indies

Custodian

SOCIÉTÉ GÉNÉRALE
29, Boulevard Haussmann
75009 Paris
France

Auditors

PRICEWATERHOUSECOOPERS
Chartered Accountants
PO Box 258GT
Strathvale House
Grand Cayman
Cayman Islands
British West Indies

DEFINITIONS

For the purposes of this Explanatory Memorandum and each attached Fund Specific Memorandum, unless the context otherwise requires the following expressions have the following meanings:-

“Business Day”	means a day (other than Saturday) on which banks are open for normal banking business in the location(s) applicable to a Fund as specified in the relevant Fund Specific Memorandum
“Dealing Day”	means the day on which a dealing request must be received in relation to a Fund in order to be executed on the following Valuation Day as specified in the relevant Fund Specific Memorandum
“Dealing Deadline”	in relation to any Dealing Day means such time before which realisation or subscription requests (where relevant) must be received in order to be executed on the following Valuation Day, as set out in the relevant Fund Specific Memorandum
“Extraordinary Resolution”	means a resolution of the Unitholders defined as such in the Trust Deed
“Fund”	means the separate pool of assets established in relation to an investment fund of the Trust
“Fund Specific Memorandum”	means each document describing the features of a specific Fund including, inter alia, the investment objective, the fees and charges and the investment restrictions. In the case of inconsistency between the provisions of the Fund Specific Memorandum and this Memorandum, the provisions of the Fund Specific Memorandum shall prevail
“Hong Kong Representative”	means such entity as the Manager may appoint as Hong Kong representative in respect of one or more Funds as designated in the relevant Fund Specific Memorandum/Memoranda
“Manager”	means Lyxor Asset Management
“Maturity Date”	means the maturity date for a specific Fund specified in the relevant Fund Specific Memorandum
“Net Asset Value”	means the net asset value of a Fund or, as the context may require, of a Unit, calculated in accordance with the Trust Deed
“Realisation Price”	means the price, calculated in the manner described under the heading “Calculation of Issue and Realisation Prices” below, at which Units will be realised unless otherwise disclosed in a Fund Specific Memorandum
“Realisation Request Form”	means the form to be used for realisation requests in such format as may be approved from time to time by the Manager and the Hong Kong Representative and which is available upon request from the Hong Kong Representative or any other entity designated in the relevant Fund Specific Memorandum
“Register”	means the register of Unitholders maintained by the Registrar pursuant to the Trust Deed
“Registrar”	means the Manager

“Registrar’s Agent”	means the agent that may be appointed by the Registrar in respect of one or more Funds, as designated in the relevant Fund Specific Memorandum/Memoranda, when relevant
“Trust”	means Adequity Trust
“Trust Deed”	means the trust deed between the Manager and Scotiabank & Trust (Cayman) Ltd (previously called The Bank of Nova Scotia Trust Company (Cayman) Limited) establishing the Trust, as amended and supplemented by a supplemental trust deed between the Manager and Scotiabank & Trust (Cayman) Ltd, as further amended and supplemented by a supplemental trust deed between the Manager, Scotiabank & Trust (Cayman) Ltd and the Trustee and, in respect of each Fund, as further amended and supplemented by a supplemental trust deed between the Manager and Scotiabank & Trust (Cayman) Ltd (in respect of the relevant Fund established prior to the resignation of Scotiabank & Trust (Cayman) Ltd as trustee) or the Trustee (in respect of the relevant Fund established after the resignation of Scotiabank & Trust (Cayman) Ltd as trustee)
“Trustee”	means Close Trustees (Cayman) Limited
“Unit”	means a unit in a Fund of the Trust
“Unitholder”	means a person who is registered on the Register as the holder of a Unit
“US dollars”, “US\$” and “US cent”	means the currency of the United States of America
“Valuation Day”	means a day on which a dealing request will be processed and the Net Asset Value will be calculated, being such day as shall be specified for each Fund in the relevant Fund Specific Memorandum

INTRODUCTION

ADEQUITY TRUST (“the Trust”) is a unit trust established by the Trust Deed under Cayman Islands law. The Manager and the Trustee may establish additional Funds and/or additional classes of Units from time to time by way of supplemental trust deed. The assets of each Fund are held under a separate trust and are segregated from the assets of the other Funds.

MANAGEMENT AND ADMINISTRATION

Manager

Lyxor Asset Management (“Lyxor AM”) is a 100% subsidiary of Société Générale Group (“SG”), with an expertise in structured funds activities. In the context of its activities, Lyxor AM benefits from the expertise of SG’s Legal and Tax departments and meets high internal quality requirements in terms of operational and risk procedures, organisation and business ethics.

By providing a fully integrated approach, its mission is to facilitate access to innovative structured investments: equity and index derivative instruments and capital guaranteed or leverage products linked to baskets of hedge funds.

The Manager is a management company registered (as of April 23rd, 1998) and regulated by the *Autorité des Marchés Financiers* (the French Financial Markets Authority).

As of 31 December 2009, Lyxor managed approximately US\$ 124.3 billion of assets.

Under the Trust Deed the Manager has also been appointed as the Registrar and references to the Manager in this document refer to the Manager in its role as Registrar, as applicable.

The Manager may appoint an investment adviser to advise in relation to a Fund as described in the relevant Fund Specific Memorandum.

Trustee

The Trustee is Close Trustees (Cayman) Limited who has been appointed by the Manager following the resignation of Scotiabank & Trust (Cayman) Ltd (previously called The Bank of Nova Scotia Trust Company (Cayman) Limited), under and pursuant to a supplemental trust deed dated 13 June 2007 between the Manager, Scotiabank & Trust (Cayman) Ltd and the Trustee. The effective date of the appointment of Close Trustees (Cayman) Limited, and the retirement of Scotiabank & Trust (Cayman) Ltd, as the trustee is 16 July 2007.

Close Trustees (Cayman) Limited is the wholly owned subsidiary of Close Brothers (Cayman) Limited ("Close Brothers") and provides clients with trustee services in the Cayman Islands. Close Brothers through its predecessors has operated in the Cayman Islands for well over 30 years and employs more than 60 people at its offices in George Town and offers a full range of financial services including mutual fund administration. Close Brothers is a subsidiary of Close Brothers Group plc. Close Brothers Group plc is the largest independent merchant bank in the United Kingdom and is amongst the 200 largest companies (measured by market capitalization) listed on the London Stock Exchange. Its total assets exceed US\$9 billion as of 31 January 2007. Founded in 1878, Close Brothers Group plc employs more than 2,400 people in its offices located in the UK, Switzerland, Guernsey, Jersey, Isle of Man, South Africa and the Cayman Islands.

Under the Trust Deed, the Trustee is responsible for the safekeeping of the assets of the Trust. The Trustee may, however, appoint any person or persons to be custodian of such assets. The Trustee is required to exercise reasonable skill, care and diligence in the selection, appointment and monitoring of such persons and during the term of their appointment, must satisfy itself as to the ongoing suitability of such persons to provide custodial services to the Trust, having regard to the market or markets for which such persons are appointed to act as custodian. The Trustee will remain responsible for the acts or omissions of such persons in the same manner as if such acts or omissions were those of the Trustee, except where such persons are appointed in respect of a market or markets which the Trustee has determined by notice to the Manager to be emerging markets. Notwithstanding the above, the Trustee will remain responsible for the acts or omissions of any associate of the Trustee appointed in respect of an emerging market.

Under the terms of the Trust Deed, in addition to appointing one or more custodians, the Trustee is entitled to appoint other persons to provide services for the Trust, including, without limitation investment management, investment advisory, brokerage and registrar and transfer agency services.

The Trustee (being a licensed mutual fund administrator in the Cayman Islands) has also agreed to provide the principal office for the Trust in the Cayman Islands and, accordingly, the Trust will be regulated under Section 4(1)(b) of the Mutual Funds Law of the Cayman Islands.

Registrar's Agent

The Registrar may appoint a Registrar's Agent in respect of certain Funds as described (where relevant) in the relevant Fund Specific Memoranda.

The Custodian

Scotiabank & Trust (Cayman) Ltd (previously called The Bank of Nova Scotia Trust Company (Cayman) Limited) appointed Société Générale as custodian of the Fund's assets by way of a custodian services agreement dated 7 March 2002 between Société Générale, Scotiabank & Trust (Cayman) Ltd and the Manager, as supplemented by a supplemental custodian services agreement between the same parties for each Fund established thereafter on or prior to the date when Scotiabank & Trust (Cayman) Ltd resigned as trustee of the Trust (collectively, the "Custodian Services Agreement"). Under and pursuant to a deed of novation dated 13 June 2007 between Société Générale, Scotiabank & Trust (Cayman) Ltd, the Trustee and the Manager, the parties thereto have agreed, amongst other things, to novate the Custodian Services Agreement to the Trustee and assign to the Trustee all of its rights, benefits and interest in and novate its obligations under the Custodian Services Agreement.

Société Générale's trustee & custodial services are centralized in a dedicated client service unit that brings together Portfolio Account Executives and SG Account Managers specialized in the field of asset management, with a wide-screen view of business flows and fund positions.

At the end of June 2009, Société Générale provided trustee & custodial services to 3,100 investment funds of all types, representing total assets of EUR 2,906 billion under custody.

Société Générale has been recognized by Moody's, which awarded a rating of Aa2, Standard & Poor's awarded Société Générale an A+, FITCH awarded Société Générale an A+ rating.

Hong Kong Representative

Details of the Hong Kong Representative for each Fund are described in the relevant Fund Specific Memorandum.

INVESTMENT AND BORROWING RESTRICTIONS

Investment and Borrowing Restrictions

Details of the investment and borrowing restrictions for each Fund are set out in the relevant Fund Specific Memorandum.

General

All the investment and borrowing restrictions shall be measured by reference to the latest available Net Asset Value of the relevant Fund.

Save as disclosed in a Fund Specific Memorandum, if any of the investment and borrowing restrictions are breached, the Manager shall as a priority objective take all steps necessary within a reasonable period of time to remedy the situation, having due regard to the interests of Unitholders. The Manager is not required to sell investments if any of the investment restrictions are exceeded as a result of changes in the value of the relevant Fund's investments, reconstructions or amalgamations, payments out of the assets of such Fund or realisations of Units but for so long as such limits are exceeded the Manager will not acquire any further investments subject to the relevant restriction and will take all reasonable steps to restore the position so that the limits are no longer exceeded.

ISSUE OF UNITS

Information as to the procedures for issue of Units of each Fund appears in the relevant Fund Specific Memorandum.

Units will be issued in registered form. Certificates will not be issued. A contract note will be issued upon acceptance of an investor's application and will be forwarded by ordinary post (at the risk of the person entitled thereto).

The Trust Deed provides for fractions of a Unit to one hundredth of a Unit to be issued. Application monies representing smaller fractions of a Unit will be retained by the relevant Fund.

The Manager has an absolute discretion to accept or reject in whole or in part any application for Units. In the event that an application is rejected, application monies will be returned without interest by cheque through the post at the risk of the person(s) entitled thereto.

REALISATION OF UNITS

Save as provided in the relevant Fund Specific Memorandum, any Unitholder may realise Units on any Valuation Day in whole or in part provided that the Manager may refuse to accept a request for a partial realisation of less than 100 Units or if, as a result, the Unitholder would hold Units in a Fund with a value of less than US\$3,000.

Realisation Procedure

Unitholders wishing to redeem all or part of their holding of Units must submit a Realisation Request Form. Completed Realisation Request Forms must be received by the Hong Kong Representative before the applicable Dealing Deadline in order to be dealt with on the next following Valuation Day. Realisation requests received after such time will be carried forward and dealt with on the Valuation Day next following the relevant Valuation Day.

A realisation request must be given in writing or by facsimile on the Realisation Request Form and must specify the name of the Fund and the number of Units to be redeemed, the name(s) of the registered holder(s), and give payment instructions for the realisation proceeds. Unless otherwise agreed by the Manager or otherwise determined in each relevant Fund Specific Memorandum, the original of any realisation request given by facsimile should be forwarded to the Hong Kong Representative. Neither the Manager nor the Hong Kong Representative shall be responsible to a Unitholder for any loss resulting from non-receipt of any realisation request sent by facsimile.

Payment of Realisation Proceeds

Realisation proceeds (being the number of Units multiplied by the Realisation Price, less realisation charges and fixed handling fees if any) will not be paid to any realising Unitholder until (a) unless otherwise agreed by the Trustee, the written original of the Realisation Request Form duly signed by the Unitholder has been received by the Manager or the Registrar and (b) where realisation proceeds are to be paid by telegraphic transfer to a bank account in Hong Kong or New York State, the signature of the Unitholder (or each joint Unitholder) has been verified to the satisfaction of the Trustee or the Registrar. Realisation proceeds will only be paid to the realising Unitholder and requests for payment to be made to a third party nominated by a realising Unitholder will not be entertained.

Unless some other method of payment is agreed with the Manager and the Registrar, realisation proceeds will be paid to the realising Unitholder (or to the first-named of joint Unitholders) at the Unitholder's risk by bank transfer in the base currency of the Fund, normally within three Business Days after the relevant Valuation Day. For the avoidance of doubt unless specifically authorised by the Registrar, no payments in the base currency shall be effected by cheque.

Realisation proceeds can be paid by cheque or bank transfer in HK dollars at the request and expense of the Unitholder but this may involve delays. For the avoidance of doubt, in the event of payments effected in HK dollars, the currency risk shall be borne by the Unitholder.

In any event realization proceeds will be paid within one calendar month of the receipt by the Registrar or the Hong Kong Representative of a properly completed Realisation Request Form.

Realisation proceeds from units held until the Maturity Date will be paid within one calendar month of the Maturity Date.

Restrictions on Realisation

The Manager may suspend the realisation of Units or delay the payment of realisation proceeds during any periods in which the determination of the Net Asset Value of the relevant Fund is suspended (for details see "Suspension of Calculation of Net Asset Value" below).

With a view to protecting the interests of Unitholders, the Manager is entitled, with the approval of the Trustee, to limit the number of Units of a Fund realised on any Valuation Day (whether by sale to the Manager or by cancellation by the Trustee) to 10 per cent. of the total number of Units of the relevant Fund in issue. In this event, the limitation will apply pro rata so that all Unitholders wishing to realise Units of the relevant Fund on that Valuation Day will realise the same proportion of such Units, and Units not realised (but which would otherwise have been realised) will be carried forward for realisation, subject to the same limitation, on the next Valuation Day. If requests for realisation are so carried forward, the Manager will inform the Unitholders concerned.

CALCULATION OF NET ASSET VALUE AND PUBLICATION OF PRICES

Calculation of Net Asset Value

The value of the net assets of each Fund will be determined on each Valuation Day in the base currency. The Net Asset Value per Unit is the Net Asset Value of the Fund divided by the number of Units in issue on that relevant Valuation Day.

The Net Asset Value of the Fund is equal, at any time, to the difference between (i) assets and (ii) liabilities.

The calculation of the Net Asset Value of the Fund shall be made in the following manner:

1. The value of any asset negotiated or listed on any exchange will be determined on the basis of the closing bid-price, or as the case may be, settlement price on the Business Day before the Valuation Day in question.
2. The value of any asset negotiated on an organised market will be based on the latest bid-price available the Business Day before the Valuation Day in question.
3. The value of any asset (other than an interest in a collective investment scheme or a commodity) which is not quoted, listed or ordinarily dealt in on an exchange shall be the original acquisition cost or such other price as may be determined by an independent professional person qualified to value such assets.
4. The value of any commodity where such commodity is dealt on a recognised market shall be valued with regard to the latest ascertainable price on such market and if that price is not reasonably up to date in the opinion of the Manager or is not ascertainable the Manager shall have regard to any certificate as to value provided by an institution making a market in the relevant commodity.

5. The value of units of collective investments schemes will be based on the latest available net asset value of the units in such collective investment schemes concerned before the Valuation Day in question or if no such net asset value is available, the fair market value as determined by the Manager at their foreseeable realisation date.
6. Where on any Valuation Day the Fund owns assets which are not negotiated or listed on an exchange market or organised market or where the price determined in compliance with paragraphs 1 to 4 above for any asset is not representative of the real value of the said asset, such assets will be valued by such method as the Manager may use with the consent of the Trustee, as is required to reflect the fair value thereof.
7. Cash, deposits and similar investments shall be valued at their face value (together with accrued interest) unless, in the opinion of the Manager, any adjustment should be made to reflect the value thereof provided that discounted certificates of deposit shall be valued at their discounted value.
8. All other assets shall be valued in such manner and at such time or times as the Manager and the Trustee shall from time to time agree.

Suspension of Calculation of Net Asset Value

The Manager may, after giving notice to the Trustee, declare a suspension of the determination of the Net Asset Value of a Fund for the whole or any part of any period during which:

- (i) there is a closure of or the restriction or suspension of trading on any securities market on which a substantial part of the investments of the Fund is normally traded or a breakdown in any of the means normally employed by the Manager or the Trustee (as the case may be) in ascertaining the prices of investments or the Net Asset Value of the Fund or the Net Asset Value per Unit in the Fund; or
- (ii) for any other reason the prices of investments of the Fund cannot, in the opinion of the Manager, reasonably, promptly and fairly be ascertained; or
- (iii) circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable to realise any investments of the Fund or it is not possible to do so without seriously prejudicing the interests of Unitholders; or
- (iv) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the investments of the Fund or the issue or realisation of Units in the Fund is delayed or cannot, in the opinion of the Manager, be carried out promptly at normal rates of exchange.

Such suspension shall take effect forthwith upon the declaration thereof and thereafter there shall be no determination of the Net Asset Value of the relevant Fund until the Manager shall declare the suspension at an end, except that the suspension shall terminate in any event on the day following the first Business Day on which (i) the condition giving rise to the suspension shall have ceased to exist and (ii) no other condition under which suspension is authorised shall exist.

Whenever the Manager declares such a suspension it shall, as soon as may be practicable after any such declaration and at least once a month during the period of such suspension, publish a notice in one English and one Chinese newspaper where the relevant Fund's prices are published (as detailed in the relevant Fund Specific Memorandum) and/or cause a notice to be given to Unitholders and to all those (whether Unitholders or not) whose applications to realise Units shall have been affected by such suspension stating that such declaration has been made.

The attention of investors is drawn to the fact that no Units may be issued or realised during such a period of suspension.

Calculation of Issue and Realisation Prices

Save as disclosed in a Fund Specific Memorandum, the Realisation Price of Units in the Fund on a Valuation Day, and the issue price of Units after any initial offer period has closed, will be calculated by dividing the Net Asset Value of such Fund on that Valuation Day by the number of Units in such Fund in issue on that Valuation Day prior to any realisation or issue being effected on that Valuation Day and, where the resulting amount is not an integral Unit of the minimum Unit of the base currency of the relevant Fund, rounding the resulting amount down to the nearest such integral Unit. Any roundings will be retained for the benefit of the relevant Fund.

Under the Trust Deed the Manager is given the power, in determining the Realisation Price of Units of the Fund to deduct for the account of the Fund from the Net Asset Value per Unit (before making any rounding adjustment) an amount which it considers to be an appropriate allowance to reflect duties and charges which would be incurred if the investments of the Fund were to be sold at the values attributed to them, though the Manager does not have any intention to charge such duties and charges.

Publication of Prices

The Net Asset Value per Unit of each Fund will be published daily in the newspapers designated in the relevant Fund Specific Memorandum.

CHARGES AND EXPENSES

Service Providers Fees

In relation to each Fund the maximum and current rates of fees payable to service providers are disclosed in the relevant Fund Specific Memorandum.

Other Charges and Expenses

The preliminary establishment expenses of the Trust including the costs and expenses in obtaining authorisation of the Trust in Hong Kong will be borne by the Manager. The subsequent preliminary establishment expenses to be borne by each Fund will be disclosed in the relevant Fund Specific Memorandum.

Each Fund will bear the costs set out in the Trust Deed which are directly attributable to it. Where such costs are not directly attributable to a Fund, each Fund will bear such costs in proportion to its respective Net Asset Value. Such costs include but are not limited to the costs of investing and realising the investments of the Fund, the fees and expenses of custodians of the assets of the Trust, the fees and expenses of the auditors, valuation costs, legal fees, the costs incurred in connection with any listing or regulatory approval, the costs of holding meetings of Unitholders and the costs incurred in the preparation and printing of any explanatory memorandum.

Cash Rebates and Soft Commissions

Neither the Manager nor any other company within the Manager's group will receive cash commissions or other rebates from brokers or dealers in respect of transactions for the account of the Trust.

The Manager and/or any company associated with it reserve the right to effect transactions by or through the agency of another person with whom the Manager and/or any company associated with it have an arrangement under which that party will from time to time provide to or procure for the Manager and/or any company associated with it goods, services or other benefits (such as research and advisory services, computer hardware associated with specialised software or research services and performance measures) the nature of which is such that their provision can reasonably be expected to benefit the Trust as a whole and may contribute to an improvement in the performance of the Trust or of the Manager and/or any

company associated with it in providing services to the Trust and for which no direct payment is made but instead the Manager and/or any company associated with it undertakes to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

TAXATION

The following statements regarding taxation are based on advice received by the Trust regarding the law and practice in force in the Cayman Islands and Hong Kong at the date of this document.

Cayman Islands

The Trust has applied for and received an undertaking from the Governor-in-Council of the Cayman Islands that, in accordance with section 81 of the Trusts Law (2009 Revision) of the Cayman Islands, for a period of 50 years from the date of such undertaking, no laws of the Cayman Islands thereafter enacted imposing any tax on income, capital assets, gains or appreciation shall apply to the Trust and that no tax in the nature of estate duty or inheritance tax shall apply to any property of or income of the Trust or Unitholders with respect thereto. Each Fund, as well as the Trust, will be registered as an exempted trust and will pay fees likewise.

Under current Cayman Islands law no tax will be charged in the Cayman Islands on profits or gains of the Trust and distributions of the Trust will be payable to Unitholders without deduction of tax. No stamp duty is levied in the Cayman Islands on the transfer or realisation of Units in the Trust. There is, at the date of this Explanatory Memorandum, no exchange control in the Cayman Islands. As an exempted trust, the Trust was required to pay an initial registration fee of approximately US\$500 and pays an annual fee currently at the rate of approximately US\$600 to the Registrar of Trusts. An initial fee of US\$2,500 was paid to the Cayman Islands Monetary Authority (the "Authority") upon the establishment of the Trust and a fee of approximately US\$3,700 was paid on an annual basis to the Authority thereafter.

As an exempted trust, each of the Funds was required to pay an initial registration fee of approximately US\$1,400 and an annual fee currently at the rate of approximately US\$600 to the Registrar of Trusts. Each of the Funds is not required to pay a fee to the Authority on an annual basis.

Hong Kong

During such period as the Funds are authorised by the Securities and Futures Commission in Hong Kong then, under present Hong Kong law and practice:-

- (a) The Funds are not expected to be subject to Hong Kong tax in respect of any of their authorised activities.
- (b) No tax will be payable by Unitholders in Hong Kong in respect of dividends or other income distributions of the Trust or in respect of any capital gains arising on a sale, realisation or other disposal of Units, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

General

Investors should consult their professional advisers on the consequences to them of acquiring, holding, redeeming, transferring or selling Units under the relevant laws of the jurisdictions to which they are subject, including the tax consequences and any exchange control requirements. These consequences, including the availability of, and the value of, tax relief to investors will vary with the law and practice of the investors' country of citizenship, residence, domicile or incorporation and their personal circumstances.

GENERAL INFORMATION

Accounts and Reports

The Trust's year end is 31st January in each year, commencing 31st January 2003. Audited accounts are sent to Unitholders within four months of the end of each financial year. The Manager also sends half-yearly unaudited interim reports made up to the last Valuation Day in July each year to Unitholders within two months of the end of the period which they cover. Such reports will contain a statement of the value of the net assets of each Fund and the investments comprising its portfolio.

Trust Deed

The Trust was established under Cayman Islands law by a trust deed made between the Manager and Scotiabank & Trust (Cayman) Ltd (previously called The Bank of Nova Scotia Trust Company (Cayman) Limited) dated 7 March 2002, as amended by a supplemental trust deed dated 27 October 2005 between the Manager and Scotiabank & Trust (Cayman) Ltd, as further amended and supplemented by a supplemental trust deed dated 13 June 2007 between the Manager, Scotiabank & Trust (Cayman) Ltd and the Trustee, as further amended by a supplemental trust deed relating to each Fund. All Unitholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Trust Deed, as amended or supplemented from time to time.

The Trust Deed contains provisions for the indemnification of the Trustee and the Manager and their relief from liability in certain circumstances. Unitholders and intending applicants are advised to consult the terms of the Trust Deed.

Segregation of Assets

The assets of each Fund are segregated from those of the other Funds and a creditor of any specific Fund shall have recourse only against the assets of that Fund. The Trust Deed provides that the Trustee shall not have recourse to the assets of one Fund to meet the liabilities of another Fund.

Voting Rights

All rights of voting conferred by any investments of the Fund shall be exercised in such manner as directed by the Manager at its absolute discretion.

Modification of Trust Deed

The Trustee and the Manager may (subject to the prior approval of the Securities and Futures Commission) agree to modify the Trust Deed by supplemental deed provided that:

- (a) in the opinion of the Trustee such modification (i) is not materially prejudicial to the interests of Unitholders, does not operate to release to any material extent the Trustee, the Manager or any other person from any responsibility to the Unitholders and (with the exception of the costs of preparing and executing the relevant supplemental deed) does not increase the costs and charges payable out of the assets of the Trust or (ii) is necessary in order to comply with any fiscal, statutory or official requirement or (iii) is made to correct a manifest error. In all other cases modifications require the sanction of an Extraordinary Resolution of the Unitholders affected; and
- (b) where such modification relates to a Fund to which a guarantee applies and is made or is expressed to be effective before the expiry of such guarantee, the relevant guarantor has consented.

In any event, where any modification relates to a Fund to which a guarantee applies and is made or is expressed to be effective before the expiry of such guarantee, any decision made by an Extraordinary Resolution of the Unitholders is subject to the approval of the relevant guarantor.

Any modifications to the Trust Deed, unless they are sanctioned by an Extraordinary Resolution of the Unitholders affected or in the opinion of the Trustee are not of material significance or are made to correct a manifest error, will be notified to the Unitholders within such period as required by the Securities and Futures Commission.

Meetings of Unitholders

The Trust Deed provides for meetings of Unitholders to be convened by the Trustee or the Manager upon at least 21 days' notice. Notices of meetings of Unitholders will be posted to Unitholders.

Proxies may be appointed. The quorum at Unitholders' meetings is Unitholders present in person or by proxy holding not less than 10 per cent. (or, in relation to a resolution proposed as an Extraordinary Resolution, 25 per cent.) of the Units in issue. If a quorum is not present, the meeting will be adjourned for not less than 15 days. Separate notice of any adjourned meeting will be given, and at an adjourned meeting Unitholders whatever their number or the number of Units held by them will form a quorum.

An Extraordinary Resolution is required under the Trust Deed for certain purposes and is a resolution proposed as such and passed by a majority of 75 per cent. of the total number of votes cast.

The Trust Deed contains provisions for the holding of separate meetings of Unitholders in different Funds where only the interests of Unitholders in a particular Fund are affected.

The Trust Deed provides that at any meeting of Unitholders, on a poll, every Unitholder who (being an individual) is present in person or (being a partnership or corporation) is present by an authorised representative or by proxy shall have one vote for every Unit of which he is the holder.

Transfer of Units

Units may be transferred by an instrument in writing in the form approved by the Trustee signed by (or, in the case of a body corporate, signed on behalf of or sealed by) the transferor and the transferee. The transferor will be deemed to remain the holder of the Units transferred until the name of the transferee is entered on the Register of Unitholders in respect of such Units. In the case of the death of any one of the joint holders, the survivor(s) will be the only person(s) recognised as having any title to the Units registered in the names of such joint holders.

Compulsory Realisation of Units

The Manager may realise Units in accordance with the Trust Deed if it shall come to the notice of the Manager that the Unitholder holds such Units (a) in breach of the law or requirements of any country, any governmental authority or any stock exchange on which such Units are listed or (b) in circumstances (whether directly or indirectly affecting such Unitholder and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Manager to be relevant) which, in the opinion of the Manager, might result in the Trust or any Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the Trust or any Fund might not otherwise have incurred or suffered.

Termination of the Trust

The Trust shall continue for a period of 100 years from the date of the Trust Deed or until it is terminated in one of the ways set out below.

1. The Trustee may terminate the Trust, provided that the Trustee certifies that the termination is in the interest of Unitholders, if:-
 - (a) the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved by the Trustee); or

- (b) in the opinion of the Trustee, the Manager is incapable of performing its duties properly; or
 - (c) if any law is passed which renders it illegal or in the opinion of the Trustee impracticable or inadvisable to continue the Trust; or
 - (d) the Manager ceases to manage the Trust and the Trustee fails to appoint a successor Manager within a period of 30 days; or
 - (e) if the Trustee wishes to retire as trustee of the Trust and the Manager fails to appoint a successor Trustee.
2. The Manager may terminate the Trust if any law is passed which renders it illegal or in the opinion of the Manager in consultation with the Securities and Futures Commission impracticable or inadvisable to continue the Trust.

Where the Trust is terminated as provided in paragraphs 1 or 2 above, the party terminating the Trust must give at least three months' notice of termination to Unitholders.

Conflicts of Interest

The Manager and the Trustee may from time to time act as trustee, administrator, registrar, manager, custodian, investment manager or investment adviser or otherwise as may be required from time to time in relation to, or be otherwise involved in or with, other funds and clients which have similar investment objectives to those of any of the Funds. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Trust. Each will, at all times, have regard in such event to its obligations to the Trust and will endeavour to ensure that such conflicts are resolved fairly. In any event, the Manager shall ensure that all investment opportunities will be fairly allocated.

Regulation of the Trust in the Cayman Islands

The Trust falls within the definition of a "mutual fund" in the Mutual Funds Law (2009 Revision) of the Cayman Islands (the "Mutual Funds Law"). The Trustee (being a licensed mutual fund administrator) has agreed to provide the principal office for the Trust in the Cayman Islands and, accordingly, the Trust will be regulated under Section 4(1)(b) of the Mutual Funds Law. Accordingly, the obligations of the Trust under the Mutual Funds Law are to file certain prescribed details (and any changes thereto) with the Authority and to file audited accounts with the Authority on an annual basis.

As a regulated mutual fund, the Trust is subject to the supervision of the Authority which may at any time instruct the Trust to have its accounts audited and submitted to the Authority within such time as the Authority specifies. In addition, the Authority may ask the Trustee to provide it with such information or such explanation in respect of the Trust as the Authority may reasonably require to enable it to carry out its duty under the Mutual Funds Law.

The Trustee must give the Authority access to or provide at any reasonable time all records relating to the Trust and the Authority may copy or take an extract of any record to which it is given access. Failure to comply with these requests by the Authority may result in substantial fines on the part of the Trustee and may result in the Authority applying to a court to have the Trust wound up.

The Authority may take certain actions if it is satisfied that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on its business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Authority include, inter alia, the power to require the substitution of the Trustee, to appoint a person to advise the Trust on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Trust. There are other remedies available to the Authority, including the ability to apply to a court for approval of other actions.

Where a petition for the winding up of a regulated mutual fund is presented by a person other than the Authority, the Authority must be served by the petitioner with a copy of the petition and may appear at the hearing of the petition. The Authority may also appoint a representative to attend a creditors meeting of a regulated mutual fund, a meeting of a committee established to discuss a compromise or arrangement or to make representations at any such meeting.

As part of the Trustee's and the Manager's responsibility to prevent money laundering, they may require detailed verification of an investor's identity and the source of the payment of application monies. The Trustee and the Manager reserve the right to request such information as is necessary to verify the identity of an applicant and the source of the payment. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Trustee and/or the Manager may refuse to accept the application and the application monies relating to such application.

If any person in the Cayman Islands involved in the business of the Trust (including the Trustee) has a suspicion or belief that another person is engaged in money laundering, that person is required to report such suspicion to the relevant authorities pursuant to The Proceeds of Crime Law, (2008) of the Cayman Islands.

Documents Available For Inspection

Copies of the Trust Deed, the Supplemental Trust Deeds, the Guarantee documentation (if applicable), the Custodian Agreement, the Deed of Novation, the Hong Kong Representative Agreement, the Registrar's Agent Agreement (in the event a Registrar's Agent has been appointed), the Supplemental Deed and the Notice of Establishment are available for inspection free of charge at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) at the offices of the Hong Kong Representative.

FUND SPECIFIC MEMORANDUM

Date: November 2009

ADEQUITY TRUST: LYXOR AGRICULTURE FUND

This document relates to the Adequity Trust: Lyxor Agriculture Fund, a Cayman Islands unit trust established by a trust deed. This Fund Specific Memorandum should be read in conjunction with the Explanatory Memorandum dated November 2009 relating to Adequity Trust. In case of discrepancies between the Explanatory Memorandum and this document in relation to the Adequity Trust: Lyxor Agriculture Fund, this document shall prevail.

PART 1

DEFINITIONS

Defined terms used in this Memorandum which are not defined below bear the same meanings as in the Explanatory Memorandum.

“Business Day”	means a day (other than Saturday) on which banks are open for normal banking business in Hong Kong and Paris
“Commodity Index”	means the Dow Jones-UBS Agriculture Subindex Total Return (Bloomberg Ticker: DJUBAGTR), or such other index as the Manager may from time to time in its absolute discretion consider appropriate to replace such index by giving to Unitholders such period of notice as the SFC may require for such purpose, and particulars of the Dow Jones-UBS Agriculture Subindex Total Return are set out in Part 2 of this Fund Specific Memorandum
“Dealing Day”	means the Exchange Business Day immediately following the Dealing Deadline day, or such other day or days as the Trustee and the Manager may agree from time to time, provided that orders received after the Dealing Deadline immediately preceding such Dealing Day shall not be executed on the immediate following Valuation Day, but shall be executed on the next Valuation Day
“Dealing Deadline”	means 4:00 p.m. (Hong Kong time) on every Hong Kong Business Day
“Equity Index”	means the SGI Global Agriculture (USD) Index (Bloomberg Ticker: SGIXGAU), or such other index as the Manager may from time to time in its absolute discretion consider appropriate to replace such index by giving to Unitholders such period of notice as the SFC may require for such purpose, and particulars of the SGI Global Agriculture (USD) Index are set out in Part 2 of this Fund Specific Memorandum
“Exchange”	means, in respect of each of the relevant stocks included in the portfolio of the Fund from time to time, the exchange or any successor thereto at which such relevant stock is listed and traded, and collectively, the “Exchanges”
“Exchange Business Day”	means any day that is a Trading Day on each and every Exchange other than a day on which trading on any of the relevant Exchange(s) is/are scheduled to close prior to its/their regular weekday closing time(s)
“Explanatory Memorandum”	means the explanatory memorandum relating to Adequity Trust dated November 2009 as amended or supplemented from time to time
“Fund”	means the Adequity Trust: Lyxor Agriculture Fund

“Hong Kong Business Day”	means a day (other than Saturday) on which banks are open for normal banking business in Hong Kong provided that where a typhoon signal no. 8 or higher or a black rainstorm warning is issued or remain issued after 12:00 noon on such day, it shall not be a Hong Kong Business Day unless the Manager otherwise determines
“Hong Kong Representative”	means SG Securities (HK) Limited, the registered office of which is situated at Level 38, Three Pacific Place, 1 Queen’s Road East, Hong Kong or such other entity as the Manager may appoint from time to time
“Initial Offer Period”	means the period commencing from 9.00 a.m. (Hong Kong time) on 31 March 2008 to 4.00 p.m. (Hong Kong time) on 17 April 2008 (or such later time or date as the Manager shall determine)
“Issue Price”	means, in respect of Units applied for by Unitholders during the Initial Offer Period, the Offer Price and means, in respect of Units applied for by Unitholders other than during the Initial Offer Period, such price per Unit as may be determined by the Manager as the issue price per Unit on the relevant Valuation Day
“Launch Date”	means 22 April 2008 or such later date as the Manager may determine in the event that the Initial Offer Period is extended
“Market Disruption Event”	means, in respect of each of the relevant stocks included in the portfolio of the Fund from time to time, (i) a suspension or material limitation of trading in a material number of such relevant stock on the relevant Exchange, or (ii) a material limitation on prices in a material number of such relevant stock on such relevant Exchange, or (iii) a suspension or material limitation of trading in any futures and/or options contracts related to such relevant stock or the Commodity Index and/or the Equity Index which are traded on such relevant Exchange, or (iv) a suspension or material limitation of trading, or a material limitation on prices, in any assets held by the Fund. For the purposes of this definition a material limitation of trading resulting from a fluctuation of prices which exceeds levels permitted by the relevant authority and a limitation on the hours of trading will constitute a Market Disruption Event
“New York Business Day”	means a day (other than Saturday) on which banks are open for normal banking business in New York
“Offer Price”	means US\$10.00 per Unit subscribed during the Initial Offer Period (exclusive of an initial sales charge of up to 5%)
“Portfolio of Stocks”	means a portfolio of stocks comprising (but not limited to) a certain number of the constituent stocks of the Equity Index as may be selected by the Manager at its absolute discretion from time to time
“Realisation Price”	means the realisation price per Unit calculated in accordance with the Trust Deed

“Registrar’s Agent”	means RBC Dexia Trust Services Hong Kong Limited, the registered office of which is situated at 51/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong, or such other entity as may be appointed from time to time by the Manager
“SFC”	means the Securities and Futures Commission in Hong Kong
“Trading Day”	means, in respect of each of the relevant stocks included in the portfolio of the Fund from time to time, a day on which the relevant Exchange is open and there is no Market Disruption Event
“US dollars” and “US\$”	means the currency of the United States of America
“Valuation Day”	means the Business Day immediately following the relevant Dealing Day, or such other day or days as the Trustee and the Manager may determine from time to time

INVESTMENT OBJECTIVES AND POLICIES

Currency Denomination

The Fund is denominated in US dollars.

Investment Objectives and Policy

The Adequity Trust: Lyxor Agriculture Fund seeks to provide a return linked to the agricultural field via (a) a core exposure to agricultural goods (including both soft and grain commodity futures) and (b) a satellite exposure to listed companies having their key business in the area of the agricultural sector.

The Fund will obtain investment exposures to soft and grain commodity futures and shares of listed companies involved in the agricultural sector, via the Commodity Index and the Equity Index respectively, according to the investment policy set out below.

Unitholders are entitled to request the realisation of their Units on each Dealing Day at the then prevailing Realisation Price per Unit (calculated by reference to the applicable Net Asset Value per Unit).

The Manager may exercise its discretion not to issue any Units in the Fund in the event that less than US\$15 million is raised during the Initial Offer Period. In such event subscription monies paid by applicants will be returned by the Manager, acting in its sole and absolute discretion, either by bank transfer or by cheque (at the risk of the applicant) in US dollars (without interest) within 14 Business Days after the expiry of the Initial Offer Period.

After consultation with the agents appointed to offer the Fund, the Manager may exercise its discretion to extend the Initial Offer Period for a maximum of 14 Business Days.

INVESTMENT POLICY

At any time during the life of the Fund, the Manager will invest the proceeds of the Fund (having regard to Chapter 7 of the Code on Unit Trusts and Mutual Funds) in the Portfolio of Stocks described in the paragraph entitled "Portfolio of Stocks investment" below and/or in cash and/or money market instruments and/or short term deposits and/or in the swap agreement described in the paragraph entitled "Swap agreement" below.

The management of the Fund's assets will be based on a systematic technique, the aim of which is to fulfill the investment objective of the Fund. Initially, the Manager will adopt an allocation policy such that the Fund will target an investment exposure to the Commodity Index and the Equity Index at 80% and 20% respectively of the Fund's assets. The Manager will not actively alter the exposure allocation, but the exposure allocation will alter itself due to the potential divergence between the performances of the Commodity Index and the Equity Index. The minimum and the maximum exposure levels to the Commodity Index will be 70% and 90% respectively that will trigger the Manager to rebalance the exposure allocation, based on the monitoring of such exposure level by the Manager on a weekly basis. In any case, the Manager will target to maintain the Fund's investment exposure to the Commodity Index at not less than 70% of the total allocation of the investment of the Fund's assets.

The Manager reserves the right to change the representative indices for the commodity futures markets (i.e., the Commodity Index) and the listed agricultural shares (i.e., the Equity Index).

Portfolio of Stocks investment:

The management of the Portfolio of Stocks will be based on the Manager's proprietary trading strategy and the Manager will, for such purpose, take into account of the performance of the Equity Index. The Portfolio of Stocks will neither comprise all of the constituent stocks of the Equity Index nor comprise the selected constituent stocks with the same weightings as in the Equity Index. The Portfolio of Stocks may also comprise international blue-chip stocks, which are not constituent stocks of the Equity Index, from all economic sectors and listed on one or more exchange(s). The primary criteria used by the Manager to select stocks is high liquidity and absence of extra cost including, but not limited to, stamp duties, clearing costs and costs of foreign exchange hedging.

Swap agreement:

The Fund will, subject always as permitted by and in compliance with the investment restrictions of Chapter 7 of the Code on Unit Trusts and Mutual Funds, invest in a swap agreement (not more than 10% of the Fund's asset) at the launch of the Fund. The swap agreement essentially exchanges the performances of the allocation made in respect of the Commodity Index and the Equity Index, at their respective levels of exposure as described in the section entitled "Investment Policy" above, with that of the Portfolio of Stocks such that either the counterparty or the Fund will be required to provide the other of them with the difference (if any) between (a) the performances of the allocation made in respect of the Commodity Index and the Equity Index at their respective levels of exposure as aforesaid and (b) the performance of the Portfolio of Stocks, such difference being defined as the mark-to-market of the swap agreement.

The obligations of each party under the swap agreement are its direct, unconditional and unsecured obligations, and rank and will rank *pari passu* and rateably, without any preference among themselves, with all its other outstanding unsecured and unsubordinated obligations, present and future, (except any such obligations as are preferred by law).

The counterparty of the swap agreement is Société Générale. Société Générale is a lending institution established in France on 8 May 1864 by an authorization decree signed by Napoleon III and having its registered office at 50 Boulevard Haussmann F-75431 Paris Cedex 09 France with a market capitalization of EUR 46.2 billion as of 31 December 2007. As of 29 February 2008, Société Générale was awarded a rating of Aa2 by Moody's, AA- by Standard & Poor's and AA- by FITCH-AMR.

The swap agreement is valued at the mark-to-market price given by the swap counterparty. The Manager carries out an independent verification and valuation of such mark-to-market price.

At the maturity date of the swap agreement, the Manager will, on behalf of the Fund, immediately enter into a new swap agreement with similar terms with the same counterparty to ensure the continuity of the investment policy of the Fund as described in the section entitled "Investment Policy" above. The Manager reserves the right to replace Société Générale with another counterparty which, in the Manager's opinion,

is the best and most suitable counterparty for the Fund, based on its qualification, its creditworthiness, pricing and services offered. However, the Manager would inform Unitholders as soon as practicable of such change prior to its implementation.

Should the counterparty of the swap agreement default under the swap agreement, or cease to enter into another swap agreement upon the termination or the maturity thereof, the Manager will select, as soon as possible and on a best effort basis, a new counterparty providing the exposure allocation between the Commodity Index and the Equity Index in accordance with the investment policy of the Fund as described in the section entitled "Investment Policy" above, and will enter into a new swap agreement with similar terms with such newly selected counterparty. The counterparty of the Fund would be selected using criteria including, but not limited to, execution prices, total direct and indirect transaction costs, probability and promptness of execution and delivery (if applicable), as well as other specific criteria which may be relevant by reference to the composition of the portfolio of investments held by the Fund at the relevant time.

Termination clauses of the swap agreement include, without limitation, maturity of the swap agreement, early termination at the Manager's request, lack of agreement between the Manager and the counterparty of certain matters affecting the Fund under the swap agreement, illegality, change of the Manager of the Fund or any event of default of any of the parties to the swap agreement.

DISTRIBUTION POLICY

The Manager does not intend to declare dividends for the Fund. Any income (whether in the form of cash or otherwise) will be reinvested in the Fund and reflected in the value of its Units.

INVESTMENT AND BORROWING RESTRICTIONS

The Trust Deed sets out restrictions and prohibitions on the acquisition of certain investments by the Manager for the Fund. A summary of these restrictions appears below, with the meanings of those relevant expressions not otherwise defined in this Memorandum more particularly defined and explained in the Trust Deed:-

1. not more than 10 per cent. of the Net Asset Value of the Fund may consist of securities (other than Government securities and certain other public securities, subject always to the applicable requirements set out in the Trust Deed) issued by a single issuer;
2. the Trust may not in aggregate hold more than 10 per cent. of any ordinary shares issued by any single issuer;
3. not more than 15 per cent. of the Net Asset Value of the Fund may consist of securities of any company not listed or quoted on a stock exchange, over-the-counter market or other organised securities market;
4. not more than 15 per cent. of the Net Asset Value of the Fund may consist of warrants and options, other than warrants and options held for hedging purposes;
5. not more than 10 per cent. of the Net Asset Value of the Fund may consist of units in unit trusts or shares in mutual fund corporations provided that no investment may be made in any unit trust or mutual fund corporation managed by the Manager or any of its connected persons if such investment would result in an increase in the overall total of the preliminary charge, manager's fee or other fees payable to the Manager or any of its connected persons which are borne by the Unitholders or the Fund;

6. not more than 20 per cent. of the Net Asset Value of the Fund may consist of physical commodities (including gold, silver, platinum or other bullion) and commodity based investments (other than shares in companies engaged in producing, processing or trading in commodities);
7. the net aggregate value of the contract value, whether payable to or by the Fund under all outstanding futures contracts (other than futures contracts entered into for hedging purposes), together with the aggregate value of those investments falling within paragraph 6. above held by the Fund, may not exceed 20 per cent. of the Net Asset Value of the Fund;
8. not more than 30 per cent. of the Net Asset Value of a Fund may consist of Government securities and certain other public securities of a single issue; and
9. subject to paragraph 8 above, the Fund may be fully invested in Government securities and certain other public securities issued by a single issuer provided that the Fund holds such Government securities and such other public securities of at least six different issues.

The Manager shall not on behalf of the Fund:-

- (i) invest in a security of any class in any company or body if directors and officers of the Manager individually own more than 1/2 per cent. of the total nominal amount of all the issued securities of that class or collectively own more than 5 per cent. of those securities;
- (ii) invest in any type of real estate (including buildings) or interests in real estate (including options or rights but excluding shares in real estate companies and interests in real estate investment trusts (REITs) that are listed on a stock exchange);
- (iii) make short sales if as a result the Fund would be required to deliver securities having a value (determined in the accordance with the Trust Deed) which would exceed 10 per cent. of the Net Asset Value of the Fund (and for this purpose "short sale" means a sale of securities actively traded on a recognised securities market or recognised commodities market where short selling is permitted);
- (iv) write uncovered options;
- (v) write a call option if the aggregate of the exercise prices of all such call options written on behalf of the Fund would exceed 25 per cent. of the Net Asset Value of the Fund;
- (vi) make a loan out of the Fund without the prior written consent of the Trustee except to the extent that the acquisition of an investment or the making of a deposit might constitute a loan;
- (vii) assume, guarantee, endorse or otherwise become directly or contingently liable for or in connection with any obligation or indebtedness of any person in respect of borrowed money without the prior written consent of the Trustee and any guarantor of the Fund;
- (viii) enter into any obligation on behalf of the Fund or acquire any asset for the account of the Fund which in the opinion of the Trustee involves or is likely to involve the assumption of any liability (contingent or otherwise) by the Trustee which is not limited to the assets of the Fund; or
- (ix) apply any part of the Fund in the acquisition of any investments or other property which are for the time being nil paid or partly paid in respect of which a call is due to be made unless such call could be met in full out of cash or near cash forming part of the Fund which has not been appropriated and set aside for any other purposes of the Trust Deed or, without the consent of the Trustee, apply any part of the Fund in the acquisition of any other investment or property which is in the opinion of the Trustee likely to involve the Trustee in any liability (contingent or otherwise).

The Trustee at the request and with the concurrence of the Manager may borrow for the account of the Fund up to 25 per cent. of the latest available Net Asset Value of the Fund to acquire investments or for liquidity purposes to meet realisation and other expenses of the Fund. The assets of the Fund may be charged, pledged or otherwise encumbered by the Trustee with the concurrence of the Manager as security for any such borrowings.

PUBLICATION OF PRICES

The Net Asset Value per Unit in issue will be published daily in the South China Morning Post and Hong Kong Economic Times.

RISK FACTORS

The Fund is not an index tracking fund and the Fund's performance would not replicate that of the Commodity Index and/or the Equity Index. There is no assurance that the investment objective mentioned in "Investment Objectives and Policies" above could be achieved, and the Fund is subject to market fluctuations and to the risks inherent in all investments. The Realisation Price of Units and the income from them may go down as well as up. Investors' attention is drawn to the following risk factors:

The performance of the Fund is subject to a number of risk factors, including those set out below:

- (a) Political, economic and social risks - All financial markets may at times be adversely affected by changes in political, economic and social conditions.
- (b) Currency risk - The Fund will have exposure to fluctuations in currency exchange rates where it invests directly or indirectly in securities denominated in currencies other than US dollars. It may, in part, seek to offset the risks associated with such exposure through foreign exchange transactions. The markets in which foreign exchange transactions are effected are highly volatile, highly specialised and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.
- (c) Diversification risk - The Fund will be exposed to concentration risks in the global agricultural field represented by the Commodity Index and the Equity Index. This means that, investors realizing their Units on any Valuation Day will be fully exposed to the performance of the Commodity Index and the Equity Index which could result in them receiving a Realisation Price per Unit below the Issue Price per Unit as at either the Launch Date or the relevant Valuation Day.
- (d) Market risk - The Fund's investments are subject to the risks inherent in all securities, including the fact that the value of holdings may go down as well as up. Investors should satisfy themselves that the Fund is suitable for them in terms of their own circumstances and financial position before making any decision to invest in the Fund. In addition, investors should avoid excessive investment (in terms of the proportion of the relevant type of investment bears to their overall portfolio) in any single type of investment, including any proposed investment in the Fund, so as to avoid the investment portfolio being over-exposed to any particular investment risk.
- (e) Connected Parties' Transactions risk - Investors should note that the Manager, the Custodian and the Equity Index Sponsor (as defined in Part 2 of this Fund Specific Memorandum) are all part of the Société Générale group, and member(s) of the Société Générale group may also act as the counterparty(ies) in relation to the Fund's transaction(s). However, each of such entities operates independently in assuming its duties and obligations in relation to the Fund, and is subject to the

supervision of the relevant industry regulator(s). All transactions and dealings between such entities in relation to the Fund shall be dealt with on arm's length basis, having regard to the terms of the Trust Deed, and in compliance with the relevant laws, regulations and regulatory codes applicable to such entities. In the unlikely event that conflicts of interest shall arise, the Manager in conjunction with the Trustee shall seek to ensure that Unitholders shall be treated fairly.

- (f) Risks associated with the counterparty risk of swap agreements - Investors should note that the Fund may not invest in the constituent stocks of the Equity Index or the commodity futures of the Commodity Index. In order to achieve the investment objective, the Fund will invest principally in the Portfolio of Stocks, and a swap agreement with Société Générale ("SG") as the counterparty. SG is a licensed bank incorporated in and operating under the laws of France. As the counterparty of the swap agreement is SG, the Fund will be exposed to the counterparty risks of SG. In the event of default of SG, the Fund may need to be terminated, and investors may suffer significant losses, depending on the then market value of the Portfolio of Stocks held by the Fund.
- (g) Risk related to commodities - The commodity markets (including the markets for goods) generally are subject to greater risks than other markets, including potentially significant legal risks. It is a feature of commodities generally that they are subject to rapid change and the risks involved may change relatively quickly. The prices of commodities can be highly volatile. Such price movements are influenced by, among other things, interest rates, changing market supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments. Commodities are often produced in emerging market countries and these countries are more exposed to the risk of swift political change and economic downturns. In some cases, far-reaching political changes may result in constitutional and social tensions, instability and reaction against market reforms. There can be no assurance that future political changes will not adversely affect the economic conditions of an emerging marketing country. Political or economic instability may affect investor confidence, which could adversely impact the value of the Commodity Index and as a result the Net Asset Value of the Fund.
- (h) Risk related to futures contracts - Futures prices can be highly volatile. Because of the low margin deposits normally required in futures trading, an extremely high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the trader. Like other leveraged investments, a futures transaction may result in losses in excess of the amount invested.
- (i) Risk related to commodity futures market - price of futures contracts vs. spot/current market price of commodities - As the Commodity Index comprises a basket of exchange-traded futures contracts representing long-only positions in underlying commodities, the performance of the Commodity Index may differ from the current market or spot price performance of the underlying commodities. Imbalance between expectations on futures contracts and the current price of commodities may result in the futures price, or the return of the Commodity Index in this case, being higher or lower than the current price of the physical commodities.
- (j) Risks associated with investment(s) linked to the global agricultural field represented by the Commodity and the Equity Index - The assets of the Fund will be invested in a specialized field, namely, the global agricultural field represented by the Commodity and the Equity Index. Therefore, the Fund may be more volatile than other funds investing in diversified investment sectors, and the Fund may be subject to rapid cyclical changes in investor activity. In particular, the share price gains of many companies involved in the global agricultural field represented by the Commodity and the Equity Index in the recent past have been significantly greater than those experienced by other companies in equity markets as a whole. Consequently, the shares of many companies in this field are now valued, using certain valuation criteria, by taking into account of a

higher premium when compared to the average premium adopted for other shares in equity markets in general. There can be no assurance or guarantee that the current valuations of companies in this field are sustainable. For these reasons, investment in shares of such companies by the Fund may be considered speculative.

- (k) Licence to use the Commodity Index may be terminated - The Manager has been granted a licence by Dow Jones & Company, Inc., UBS AG and UBS Securities LLC to the use of and reference to the Commodity Index in connection with the Fund. The Fund may not be able to fulfil its objectives and may be terminated if such licence is revoked.
- (l) Authorisation to use the Equity Index may be terminated - The Manager has been granted an authorisation by the Equity Index Sponsor to the use of and reference to the Equity Index in connection with the Fund. The Fund may not be able to fulfil its objectives and may be terminated if such authorisation is withdrawn.
- (m) The Fund may be terminated in case(s) where the form(s) or the method(s) of calculating the Commodity Index and/or the Equity Index is/are substantially modified etc. - The Fund may not be able to fulfil its objective and may be terminated if the form(s) or the method(s) of calculating the Commodity Index and/or the Equity Index is/are substantially modified, or in the event that the Commodity Index and/or the Equity Index is/are replaced by a new index/new indices to be substituted to the Commodity Index and/or the Equity Index, or in the event that the calculation of the Commodity Index and/or the Equity Index shall cease and there is/are no substitute index/indices acceptable to the Manager.
- (n) Specific risk linked to the use of the swap agreement – Should the counterparty of the Fund under the swap agreement default, the performance of the Fund may not correspond to the performance which may otherwise be generated from the exposure allocation between the Commodity Index and the Equity Index, as the Fund's investments may consist of neither the constituent exchange-traded futures contracts of the Commodity Index nor the constituent stocks of the Equity Index. In such circumstances, the Fund's return may deviate from the situation which may otherwise be generated from the exposure allocation between the Commodity Index and the Equity Index.
- (o) Specific risk linked to the swap agreement – The Fund may be terminated in the case where the counterparty of the swap agreement defaults under the swap agreement, or ceases to enter into another swap agreement upon the termination or the maturity thereof, and the Manager fails to enter into another swap agreement with similar terms with another counterparty as described in the paragraph entitled "Swap agreement" of the section entitled "Investment Policy" above.

POTENTIAL INVESTORS MUST READ THE ENTIRE EXPLANATORY MEMORANDUM AND MUST CONSULT THEIR OWN PROFESSIONAL ADVISERS, BEFORE DECIDING TO INVEST IN THE FUND.

ISSUE OF UNITS

Initial Issue of Units in the Fund

Units of the Fund are initially being offered to investors during the period from 9.00 a.m. (Hong Kong time) on 31 March 2008 to 4.00 p.m. (Hong Kong time) on 17 April 2008 unless extended by the Manager (the **"Initial Offer Period"**) at an Issue Price of US\$10.00 per Unit (exclusive of an initial sales charge of up to 5%).

Units will be issued on the Valuation Day following the close of the Initial Offer Period in respect of applications, together with application monies in cleared funds received by the Manager prior to 4:00 p.m. (Hong Kong time) on the last day of the Initial Offer Period.

The Manager may exercise its discretion not to issue any Units in the Fund in the event that less than US\$15 million is raised during the Initial Offer Period. In such event subscription monies paid by applicants will be returned by the Manager, acting in its sole and absolute discretion, either by bank transfer or by cheque (at the risk of the applicant) in US dollars (without interest) within 14 Business Days after the expiry of the Initial Offer Period.

Subsequent Issue of Units

After the close of the Initial Offer Period, Units will be available for issue on a daily basis on each Valuation Day. Subscriptions (together with subscription monies in cleared funds) received by the Manager prior to 4:00 p.m. (Hong Kong time) on every Hong Kong Business Day (the "Dealing Deadline") will be dealt with on the relevant Valuation Day immediately following the Dealing Deadline. Where subscriptions and/or subscription monies are received after the Dealing Deadline, they will be carried forward and dealt with on the next following Valuation Day.

The Issue Price of Units of the Fund on a Valuation Day will be calculated by reference to the Net Asset Value per Unit of the Fund as at the relevant Valuation Day.

The Manager has an absolute discretion to accept or reject in whole or in part any subscription for Units. In the event that a subscription is rejected, subscription monies will be returned without interest by cheque through the post at the risk of the person(s) entitled thereto. No Units in the Fund will be issued where the determination of the Net Asset Value of the Fund is suspended (for details see "Suspension of Calculation of Net Asset Value" in the Explanatory Memorandum above).

Initial Sales Charge

The Manager, at its discretion, is entitled to an initial sales charge of up to 5 per cent. of the gross investment amount invested (i.e. sum of monies received by the Manager before the deduction of the initial sales charge) during and after the close of the Initial Offer Period. The Manager may re-allow or pay all or part of the initial sales charge (and any other fees it receives) to recognised intermediaries or such other persons as the Manager may at its absolute discretion determine.

Based on an initial investment of US\$5,000 during the Initial Offer Period at the Offer Price of US\$10 per Unit and initial sales charge of 5%, the number of Units received by the Unitholder will be calculated as follows:

US\$5,000	–	US\$250	=	US\$4,750
Initial		Initial Sales		Net
Investment		Charges		Investment
US\$4,750	÷	US\$10	=	475 Units
Net		Offer		Number of
Investment		Price per Unit		Units

Investors should note that after the Initial Offer Period, the actual Issue Price will vary daily in line with the Net Asset Value of the Fund on the relevant Valuation Day.

Application procedure

Applications for Units both during and after the Initial Offer Period should be made by completing the Application Form and sending it to the Registrar or to the Hong Kong Representative who will arrange transmission to the Registrar, together with payment for the Units. Applications are subject to the terms of this Memorandum, the Explanatory Memorandum and the provisions of the Application Form. The

original of any application given by facsimile should be forwarded to the Registrar or the Hong Kong Representative. Neither the Registrar, nor the Hong Kong Representative shall be responsible to an applicant for any loss resulting from non-receipt of any application sent by facsimile.

Minimum Investment

The minimum investment in the Fund is US\$3,000.

Payment Procedure

Payment should be made in one of the ways set out in the attached Application Form. Payments should be made in US dollars or in HK dollars. Payment in HK dollars will be converted into US dollars and the proceeds of conversion (after deducting the costs of such conversion) will be applied in the subscription of Units in the Fund. Conversion of currencies may involve some delay.

Payment of subscription monies in cleared funds **must** be received prior to 4:00 p.m. (Hong Kong time) on the last day of the Initial Offer Period in relation to subscriptions made during the Initial Offer Period or before the Dealing Deadline in relation to subscriptions made after the close of the Initial Offer Period and, in each case, a copy of the remittance advice must be attached to the Application Form for such application to be processed. **Investors should note that for payment in US dollars to be received for value on a particular day, payment must be made for value in New York on the New York Business Day preceding such day and for payment in Hong Kong dollars to be received for value on a particular day, payment must be made for value in Hong Kong on the Hong Kong Business Day preceding such day.**

Investors should not pay by cheque due to delays in clearing.

No money should be paid to an intermediary in Hong Kong who is not registered or licensed to undertake Type 1 regulated activity under Part V of the Securities and Futures Ordinance.

REALISATION OF UNITS

The procedures relating to realisation of Units are described in the Explanatory Memorandum. There is no realisation charge.

Unitholders are entitled to request the realisation of their Units on each Dealing Day at the then prevailing Realisation Price per Unit (calculated by reference to the applicable Net Asset Value per Unit).

If at any time during the period from the time as at which the Realisation Price is calculated and the time at which realisation moneys are converted out of any other currency into the base currency of the Fund there is a devaluation or depreciation of that currency, the amount payable to any relevant realizing Unitholder may be reduced as the Manager considers appropriate to take account of the effect of that devaluation or depreciation.

No Unitholder of the Fund will have the right or option to convert his/her/its Unit(s) into unit(s) of any other fund of the Adequity Trust, and no unitholder of any other fund of the Adequity Trust will have the right or option to convert his/her/its unit(s) into Unit(s) of the Fund.

CHARGES AND EXPENSES

Management Fees

The Manager is entitled to receive from the Fund a quarterly management fee (payable in arrears), which shall start to accrue from and inclusive of the Launch Date, accrued on and calculated as at each Valuation Day at the current rate of 1% per annum of the Net Asset Value of the Fund.

The maximum rate of management fee payable to the Manager pursuant to the Trust Deed is 3% per annum but, notwithstanding the foregoing empowering provision under the Trust Deed, the Manager will cap the maximum rate of management fee payable to the Manager in respect of the Fund at 1.50% per annum, and any increase in the current rate up to the maximum rate of 1.50% per annum will only be implemented upon giving not less than 3 months' notice to affected Unitholders.

Any increase in the current rate of the management fee payable in respect of any period will be fixed prior to the date of commencement of such period and such rate will apply with effect from the date of commencement of such period and will continue to apply until further notified otherwise by the Manager as aforesaid.

The Manager is entitled to receive an initial sales charge on the issue of Units of up to 5% of the gross amount invested.

The Manager may share any fees it receives with distributors or agents procuring subscriptions in the Fund.

The Manager and other companies within the Manager's group may with the prior written consent of the Trustee deal with the Fund as principal and, subject as provided above, may retain any benefit which they receive as a result.

Transaction Cost on the Swap Agreement

The Fund will pay the counterparty of the swap agreement a transaction cost for the exchange of the performances of the Commodity Index and the Equity Index (weighted by their respective actual nominal exposures) with that of the Portfolio of Stocks. The maximum transaction cost is 1.45% per annum of the total nominal exposure of the Fund, i.e., the amount which the Fund would be entitled to receive under the swap agreement. In particular, at inception of the Fund, the total transaction cost is expected to be (a) up to 1.45% per annum of the Commodity Index's nominal exposure, i.e., that part of the amount which the Fund would be entitled to receive under the swap agreement by reference to the Commodity Index, and (b) up to 0.45% per annum of the Equity Index's nominal exposure, i.e., that part of the amount which the Fund would be entitled to receive under the swap agreement by reference to the Equity Index.

Hence, the return from the swap agreement will be net of this fee and, therefore, such fee will effectively be borne by the Fund.

Trustee's Fees, Hong Kong Representative's Fees, Auditors' Fees, Custodian's Fees and Registrar's Agent Fees

The Manager is entitled to receive from the Fund a quarterly fixed cost (payable in arrears), which shall start to accrue from and inclusive of the Launch Date, accrued on and calculated as at each Valuation Day at the current rate of up to 0.50% per annum of the Net Asset Value of the Fund in order to cover the Trustee's fees, the Auditors' fees, the Custodian's fees and the Registrar's Agent's fees which may from time to time be payable by the Manager on an ongoing basis. The Hong Kong Representative's fees will be paid by the Manager.

Other Fees

In addition to the fees and charges mentioned above, the Fund will also bear the following costs and expenses, namely, stamp duties, taxes, brokerage charges, commissions, foreign exchange costs, bank charges and registration fees relating to the Fund and its investments and other fees and expenses incurred in the administration of the Fund and the implementation of the Fund's investment strategy.

Establishment Costs and Expenses

The preliminary establishment expenses of the Fund, including the legal fees, the costs and expenses in obtaining authorisation of the Fund in Hong Kong and in the Cayman Islands, the preparation, the translation and the printing of the Explanatory Memorandum, this Fund Specific Memorandum, the supplemental deeds or any agreements and any other incidental expenses, estimated at EUR100,000, will be borne by the Fund. These expenses will be amortised on a straight line basis over 4 years from the date on which the Fund commences.

TERMINATION OF THE FUND

The Fund may be terminated

- (i) by an Extraordinary Resolution of Unitholders in the Fund; or
- (ii) if any laws shall be passed rendering it illegal or in the opinion of the Manager in consultation with the Securities and Futures Commission, impracticable or inadvisable to continue the Fund; or
- (iii) in the event the Net Asset Value of the Fund falls below US\$5 million, further to a proposal by the Manager; or
- (iv) by the Manager after consultation with the Trustee if the form(s) or the method(s) of calculating the Commodity Index and/or the Equity Index is/are substantially modified, or in the event that the Commodity Index and/or the Equity Index is/are replaced by a new index/new indices to be substituted to the Commodity Index and/or the Equity Index, or in the event that the calculation of the Commodity Index and/or the Equity Index shall cease and there is/are no substitute index/indices acceptable to the Manager; or
- (v) if the licence and / or authorisation to use and / or refer to the Commodity Index and / or the Equity Index is /are revoked; or
- (vi) if the Manager cannot invest in or get exposure to the Commodity Index; or
- (vii) in the case where the counterparty of the swap agreement defaults under the swap agreement, or ceases to enter into another swap agreement upon the termination or the maturity thereof, and the Manager fails to enter into another swap agreement with similar terms with another counterparty as described in the paragraph entitled "Swap agreement" of the section entitled "Investment Policy" above.

Notice of termination shall be given to Unitholders.

ADJUSTMENT ON THE COMMODITY INDEX AND THE EQUITY INDEX

If any of the events below shall occur, the following provisions shall apply:

- (a) Third Party (or Parties) Calculate(s) the Commodity Index and/or the Equity Index

If the Commodity Index and/or the Equity Index is/are not calculated by the index calculator(s), Dow Jones & Company, Inc., UBS Securities LLC and/or Standard and Poor's (the "Index

Calculator(s)"), but is/are calculated by another person(s) or party(ies) (the "Third Party or (Parties)") which has/have been designated by the Index Calculator(s) and/or the Equity Index Sponsor (as defined in Part 2 hereinafter) or any other competent market authority(ies), the Index Calculator(s) shall be replaced by the Third Party or (Parties).

The same provisions will apply in the event that the Third Party or (Parties) nominated by the Index Calculator(s) and/or the Equity Index Sponsor or any other competent market authority(ies) cease(s) to calculate the Commodity Index and/or the Equity Index but is/are replaced by another Third Party or (Parties) designated under the same provisions.

- (b) The Equity Index Sponsor is replaced by an Alternative Equity Index Sponsor

If the authorisation to use the Equity Index is not granted by the Equity Index Sponsor, but is granted by another person or party (the "Alternative Equity Index Sponsor") which has been designated by the Equity Index Sponsor or any other competent market authority, the Equity Index Sponsor shall be replaced by the Alternative Equity Index Sponsor.

The same provisions will apply in the event that the Alternative Equity Index Sponsor nominated by the Equity Index Sponsor or any other competent market authority ceases to grant the authorisation to use the Equity Index but is replaced by another Alternative Equity Index Sponsor designated under the same provisions.

- (c) Modification to the Calculation, Replacement and /or Termination of the Commodity Index and/or the Equity Index

If the Index Calculator(s) and/or the Equity Index Sponsor, or the Third Party or (Parties) and/or the Alternative Equity Index Sponsor (in each case, as defined above) substantially modify(ies) the form(s) or the method(s) of calculating the Commodity Index and/or the Equity Index, or in the event that the Index Calculator(s) and/or the Equity Index Sponsor or any other competent market authority(ies) replace(s) the Commodity Index and/or the Equity Index by a new index/new indices to be substituted to the Commodity Index and/or the Equity Index, or in the event that the Index Calculator(s) and/or the Equity Index Sponsor or the Third Party or (Parties) and/or the Alternative Equity Index Sponsor cease(s) to calculate the Commodity Index and/or grant the authorisation to use the Equity Index and there is/are no substitute index/indices acceptable to the Manager, the Manager shall have the right, after consultation with the Trustee:

- (i) to replace the Commodity Index and/or the Equity Index by the index/indices as so modified or by the substitute index/indices (as the case may be) multiplied, if need be, by a linking coefficient/coefficients allowing to ensure continuity in the evolution of the Commodity Index and/or the Equity Index; or
- (ii) to terminate the Fund.

In the event that the Fund is terminated in the circumstances set out above, the Units then in issue will be realised at the prevailing Realisation Price per Unit (calculated by reference to the applicable Net Asset Value per Unit) as at the date of such termination.

Upon the occurrence of any adjustment or termination of the Fund, the Manager will act reasonably and in good faith in order to preserve the economic interests of investors in the Fund.

Notification of any adjustment or termination of the Fund will be published in the South China Morning Post and Hong Kong Economic Times as soon as practicable following such event.

PART 2

DETAILS OF THE COMMODITY INDEX AND THE EQUITY INDEX

DOW JONES-UBS AGRICULTURE SUBINDEX TOTAL RETURNSM (the “Commodity Index”, Bloomberg Code: DJUBAGTR)

Index Description

The Commodity Index, which is a sub-index of the Dow Jones-UBS Commodity Index Total ReturnSM, is designed to be a benchmark for agricultural commodities as an asset class and reflects the returns that are potentially available through an unleveraged investment in the futures contracts on physical commodities comprising the Commodity Index plus the rate of interest that could be earned on cash collateral invested in specified Treasury Bills. The Commodity Index is currently composed of seven futures contracts on agricultural commodities traded on U.S. exchanges. There is one such contract for each of the following agricultural commodities: soybeans, corn, wheat, cotton, soybean oil, coffee and sugar. The Commodity Index was created by AIG International, Inc. in 1998 and acquired by UBS Securities LLC (“UBS”) in May 2009 and is calculated by Dow Jones & Company, Inc. (“Dow Jones”) in conjunction with UBS.

At present, Dow Jones disseminates the Commodity Index value approximately every fifteen seconds (assuming the Commodity Index value has changed within such fifteen-second interval) from 8:00 a.m. to 3:00 p.m. New York City time and publishes a daily Commodity Index value at approximately 4:00 p.m. New York City time on each trading day on its website at <http://www.djindexes.com> and on Bloomberg under the ticker symbol “DJUBAGTR Index”.

The Commodity Index was created using the following four main principles:

- **Economic Significance** - A commodity index should fairly represent the importance of a diversified group of commodities to the world economy. To achieve a fair representation, the Commodity Index uses both liquidity data and U.S. dollar weighted production data in determining the relative quantities of included commodities. The Commodity Index primarily relies on liquidity data, or the relative amount of trading activity of a particular commodity, as an important indicator of the value placed on that commodity by financial and physical market participants. The Commodity Index also relies on production data as a useful measure of the importance of a commodity to the world economy. Production data alone, however, may underestimate the economic significance of storable commodities at the expense of relatively non-storable commodities. Production data alone may also underestimate the investment value that financial market participants place on certain commodities, and/or the amount of commercial activity that is centered around various commodities. Accordingly, production statistics alone do not necessarily provide as accurate a blueprint of economic importance as the pronouncements of the markets themselves. The Commodity Index thus relies on data that is both endogenous to the futures market (liquidity) and exogenous to the futures market (production) in determining relative weightings.
- **Diversification** - A second major goal of the Commodity Index is to provide diversified exposure to commodities as an asset class. Disproportionate weighting of any particular commodity or sector increases volatility and negates the concept of a broad-based commodity index. Instead of diversified commodities exposure, the investor is unduly subjected to micro-economic shocks in one commodity or sector.
- **Continuity** - The third goal of the Commodity Index is to be responsive to the changing nature of commodity markets in a manner that does not completely reshape the character of the Commodity Index from year to year. The Commodity Index is intended to provide a stable benchmark, so that end-users may be reasonably confident that historical performance data (including such diverse

measures as correlation, spot yield, roll yield and volatility) is based on a structure that bears some resemblance to both the current and future composition of the Commodity Index.

- **Liquidity** - Another goal of the Commodity Index is to provide a highly liquid index, suitable for institutional investment. The explicit inclusion of liquidity as a weighting factor helps to ensure that the Commodity Index can accommodate substantial investment flows. The liquidity of an index not only affects transaction costs associated with current investments, but may also affect the reliability of historical price performance data. That is, to the extent that market inefficiencies may result from substantial inflows of investment capital, these inefficiencies – and corresponding distortions in index performance – will be minimized by weighting distributions which more closely mirror actual liquidity in the markets.

The composition of the Commodity Index is recalculated by UBS in June of each year pursuant to the procedures set forth in the Dow Jones-UBS Commodity Index™ Handbook under the supervision of the Supervisory Committee and is reviewed at a meeting of the Supervisory and Advisory Committees held in June or July. Once approved by the Supervisory Committee, the new composition of the Commodity Index is announced in July or August following that meeting, and takes effect in the month of January immediately following the announcement.

The official website of the Commodity Index: www.djindexes.com

SGI GLOBAL AGRICULTURE (USD) INDEX (the “Equity Index”, Bloomberg Code: SGIXGAU)

Index Description

The SGI Global Agriculture (USD) Index (the “Equity Index”) attempts to capture the total return performance of stocks issued by companies which produce, process and distribute agricultural and livestock commodities, products, chemicals, equipment and supplies.

The Equity Index is calculated and published by Standard & Poor’s, a division of the McGraw-Hill Companies, Inc.

The Equity Index is calculated real-time.

Index Strategy

The Equity Index components are reviewed by Société Générale (the “Equity Index Sponsor”) every six months in order to reflect changes due to new entrants, corporate actions, as well as potential changes in the core activities of companies, to ensure the continuous relevance of the stock selection. The Equity Index Sponsor will exclude from the list of the index components stocks that registered a significant and ascertained or present a presumable reduction in liquidity or capitalization. The index components stocks are reviewed and included, with an objective of sector and geographical diversification, as assessed by the Equity Index Sponsor based on publicly available company activity information. The Equity Index components stocks are included proportionally to their freefloat adjusted market capitalizations as assessed by the Equity Index Sponsor. The largest constituents are capped at 10%.

As of 31 July 2009, the composition of the Equity Index is 52% fertilizers/chemicals, 25% agricultural commodities/products, 11% equipment, 8% packaged foods & meats and 4% diversified agricultural activities.

It is invested 60% in North America, 18% in Europe and 12% in Asia and 10% in the rest of the world. These proportions, both geographic and in terms of sectors, are expected to remain fairly stable in the future but are subject to review if deemed appropriate by the Equity Index Sponsor in the face of changing economic dynamics. The number of stocks (44 as of 31 July 2009) in the Equity Index is subject to change but shall be no greater than 60 and no smaller than 20.

The official website of the Equity Index: www.sgindex.com

The Commodity Index (Bloomberg code: DJUBAGTR) price and the Equity Index (Bloomberg code: SGIXGAU) price could be accessed through the websites of the indices and the Bloomberg terminal. Important news relating to the Commodity Index and the Equity Index will be posted on the website of the indices and that of the Manager <http://www.lyxor.com.hk>.

The Commodity Index's constituent exchanged-traded futures contracts as of 31 July 2009 are as follows:

Commodity	Exchange	Weight
Soybean	Chicago Board of Trade	25.2%
Corn	Chicago Board of Trade	15.6%
Sugar	Coffee, Sugar and Cocoa Exchange	15.6%
Wheat	Chicago Board of Trade	13.8%
Coffee	Coffee, Sugar and Cocoa Exchange	11.1%
Soybean Oil	Chicago Board of Trade	9.5%
Cotton	NY Cotton Exchange	9.2%

The Equity Index's constituent stocks as of 31 July 2009 are as follows:

Company	Country	Industry	Weight
Archer-Daniels-Midland Co	United States	Agricultural Products	10.05%
Potash Corp of Saskatchewan	Canada	Fertilizers & Agricultural Chemicals	9.61%
Deere & Co	United States	Construction & Farm Machinery	9.19%
Syngenta AG	Switzerland	Fertilizers & Agricultural Chemicals	8.99%
Monsanto Co	United States	Fertilizers & Agricultural Chemicals	8.96%
Mosaic Co/The	United States	Fertilizers & Agricultural Chemicals	4.77%
Bunge Ltd	United States	Agricultural Products	4.52%
K+S AG	Germany	Fertilizers & Agricultural Chemicals	3.95%
Wilmar International Ltd	Singapore	Agricultural Products	3.18%
Israel Chemicals Ltd	Israel	Fertilizers & Agricultural Chemicals	2.96%
Yara International ASA	Norway	Fertilizers & Agricultural Chemicals	2.83%
IOI Corp Bhd	Malaysia	Agricultural Products	2.52%
Incitec Pivot Ltd	Australia	Fertilizers & Agricultural Chemicals	2.10%
CF Industries Holdings Inc	United States	Fertilizers & Agricultural Chemicals	1.79%
BRF - Brazil Foods SA	Brazil	Packaged Foods & Meats	1.75%
Tyson Foods Inc	United States	Packaged Foods & Meats	1.63%
Agrium Inc	Canada	Fertilizers & Agricultural Chemicals	1.62%
Terra Industries Inc	United States	Fertilizers & Agricultural Chemicals	1.58%
Nippon Meat Packers Inc	Japan	Packaged Foods & Meats	1.51%
JBS SA	Brazil	Packaged Foods & Meats	1.40%
Idexx Laboratories Inc	United States	Health Care Equipment	1.31%
AGCO Corp	United States	Construction & Farm Machinery	1.29%
Olam International Ltd	Singapore	Food Distributors	1.26%
Viterra Inc	Canada	Trading Companies & Distribution	1.14%
Corn Products International Inc	United States	Agricultural Products	1.02%
Golden Agri-Resources Ltd	Singapore	Agricultural Products	0.89%
Kuala Lumpur Kepong Bhd	Malaysia	Agricultural Products	0.82%
Suedzucker AG	Germany	Agricultural Products	0.77%
Nutreco Holding NV	Netherlands	Agricultural Products	0.77%
Smithfield Foods Inc	United States	Packaged Foods & Meats	0.73%
Nufarm Ltd	Australia	Fertilizers & Agricultural Chemicals	0.68%
Intrepid Potash Inc	United States	Fertilizers & Agricultural Chemicals	0.62%
Sinofert Holdings Ltd	Hong Kong	Fertilizers & Agricultural Chemicals	0.55%
Fertilizantes Fosfatados SA	Brazil	Fertilizers & Agricultural Chemicals	0.53%

China BlueChemical Ltd	China	Fertilizers & Agricultural Chemicals	0.49%
Fresh Del Monte Produce Inc	Cayman Islands	Agricultural Products	0.46%
Terra Nitrogen Co LP	United States	Fertilizers & Agricultural Chemicals	0.29%
Charoen Pokphand Foods PCL	Thailand	Packaged Foods & Meats	0.29%
CNH Global NV	Netherlands	Construction & Farm Machinery	0.26%
Marfrig Frigorificos e Comercio de Alimentos SA	Brazil	Packaged Foods & Meats	0.25%
Illovo Sugar Ltd	South Africa	Packaged Foods & Meats	0.20%
KWS Saat AG	Germany	Agricultural Products	0.19%
Namhae Chemical	South Korea	Fertilizers & Agricultural Chemicals	0.15%
Elders Ltd	Australia	Trading Companies & Distribution	0.14%

Dow Jones-UBS Agriculture Subindex Total Return Disclaimer

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The Fund Specific Memorandum relates only to the Fund and does not relate to the exchange-traded physical commodities underlying any of the Dow Jones-UBS Agriculture Subindex Total ReturnSM components. Purchasers of the Fund should not conclude that the inclusion of a futures contract in the Dow Jones-UBS Agriculture Subindex Total ReturnSM is any form of investment recommendation of the futures contract or the underlying exchange-traded physical commodity by Dow Jones, UBS AG, UBS Securities or any of their respective subsidiaries or affiliates. The information in the Fund Specific Memorandum regarding the exchange-traded futures contracts on physical commodities which comprise the Dow Jones-UBS Agriculture Subindex Total ReturnSM components has been derived solely from publicly available documents. None of Dow Jones, UBS AG, UBS Securities or any of their respective subsidiaries or affiliates has made any due diligence inquiries with respect to the exchange-traded futures contracts which comprise the Dow Jones-UBS Agriculture Subindex Total ReturnSM components in connection with Fund. None of Dow Jones, UBS AG, UBS Securities or any of their respective subsidiaries or affiliates

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