

Eurobank Fund Management Company (Luxembourg) S.A.

Société anonyme

5, rue Jean Monnet, L-2180 Luxembourg

(the “**Company**”)

NOTICE TO UNIT HOLDERS OF

(LF) SPECIAL PURPOSE EQUITY FORMULA BONUS I FUND

Sub-fund of (LF), a mutual investment fund organised under the laws

of the Grand-Duchy of Luxembourg

(the “**Sub-Fund**”)

The Board of Directors of the Company has decided by Resolution dated May 13, 2014 to roll over the investment objective of the Sub-Fund, as indicated in the relevant prospectus, which matures on June 13, 2014. The termination date of the Sub-Fund’s swaps is scheduled on June 20, 2014.

The Sub-Fund’s unit holders will be informed about the outcome of the Equity Strategy via e-mail, e-banking or mail, as the case may be.

More specifically, the following features will be amended:

The name of the Sub-Fund will be changed to (LF) SPECIAL PURPOSE EQUITY FORMULA BONUS FUND.

Section 2.1. Investment Objective will be amended as follows:

“2.1. Investment Objective

The Sub-Fund aims mainly to provide high income in line with a systematic strategy on a selected equity index as described below (the “Derivative Investment Strategy”), bank deposits, money market instruments and an actively managed portfolio of transferable debt securities, including fixed and variable interest rate securities and government bonds admitted to an Official Listing or dealt in on a Regulated Market, traded worldwide.

The Derivative Investment Strategy commences on July 25, 2014 and matures on January 18, 2016 (“Investment Period”).

The Derivative Investment Strategy’s performance at the end of the Investment Period is based on a performance valuation mechanism according to points a), b), c), d) and e) below:

a) The Equity Index EURO STOXX 50 (Bloomberg ticker: SX5E Index) is selected (“Index”).

The EURO STOXX 50 index tracks the 50 largest in terms of market capitalization and most liquid Super sector leaders in the Euro-zone. The weightings of Index are reviewed quarterly.

Source: http://www.stoxx.com/download/indices/rulebooks/stoxx_indexguide.pdf (page 45)

All index constituents and weights are freely available on the official website of the respective provider.

b) July 25, 2014 is defined as “Strike Date” and January 25, 2016 is defined as “Swaps’ Termination Date”.

- c) If at the end of the Investment Period, Index is equal to or above of its level on Strike Date and below 103% of its level on Strike date, then on the Swaps' Termination Date the investor gains a coupon of 1.5% on the capital invested (being investments made by Unit holders on or before July 25, 2014).
- d) If at the end of the Investment Period, Index is equal to or above 103% of its level on Strike Date, then on the Swaps' Termination Date the investor gains coupon of 6.5% on the capital invested (being investments made by Unit holders on or before July 25, 2014).
- e) If at the end of the Investment Period, Index has fallen below its level on Strike Date, then on the Swaps' Termination Date the investor loses 5% of the capital invested (being investments made by Unit holders on or before July 25, 2014).

The Board of Directors will decide if the coupon of 1.5% (case c) or the coupon of 6.5% (case d) calculated on the unit price on Strike Date, is paid on the Swaps' Termination Date by the Derivative Investment Strategy, or if the respective amount will be reinvested in the Sub-Fund."

The following amendments will be made to Section 2.2. Investment policy :

"The Sub-Fund seeks to achieve its investment objective as follows:

- primarily, investing mainly in a portfolio composed of bank deposits, money market instruments, debt securities, mortgage-backed securities and asset-backed securities. The Sub-Fund may not invest more than 20% of its assets in mortgage-backed securities and asset-backed securities. The Sub-Fund may invest more than 35% of its assets in Greek Government bonds.
- secondarily, entering into, one or several, over-the-counter derivative transactions called Equity linked swap agreements under ISDA (the "Swaps") with the aim of meeting the Investment Objective. The effect of this transaction is that the Sub-Fund exchanges part of the returns on its portfolio for returns specifically tailored to the Investment Objective of the Sub-Fund.

The swap counterparty/ies will be selected from the following credit institutions: Barclays Bank PLC; BNP Paribas S.A.; Deutsche Bank A.G.; JPMorgan Chase Bank N.A.; Royal Bank of Scotland PLC; Société Générale S.A., Eurobank Ergasias S.A., Credit Agricole S.A., HSBC Bank PLC, Credit Suisse, UBS AG, Bank of America Merrill Lynch, Citigroup Global Markets Ltd, Morgan Stanley & Co International PLC."

The rest of this Section 2.2 remains unchanged.

In Section 3. Risk factors, the reference portfolio used for relative VaR computation will be the following: 50% Euro Stoxx 50 + 50% BofA Merrill Lynch Greece Government Index.

In Section 4. Profile of investors, the last sentence is amended as follows: "The Sub-Fund is addressed to investors with a short-term investment horizon and who are seeking return from exposure to equity markets."

All the other terms not mentioned above remain unchanged.

Rights of Unit holders:

As from publication date of the present notice, Unit holders that are concerned by the changes listed above and who do not approve of these changes will have the possibility to redeem or convert their units free of charge during a period of one month, terminating on July 24, 2014.

Redemption or conversion requests shall be addressed to the distributor in accordance with the provisions of the prospectus.

The latest updated prospectus of (LF) and the Key Investor Information Document ("KIID") of the Sub-Fund will be available free of charge at the registered office of the Company and at the local distributor branches as soon as the Luxembourg regulatory authority (CSSF) has issued the visa-stamped official prospectus version.

Luxembourg, May 30, 2014

The Board of Directors