



Dear Sir / Madam

**Candriam Index Arbitrage
Report to Participants for the purposes of Reg 92D
Multiple voucher reporting per investor type**

For the attention of UK investors

As you may be aware, UK resident participants of the fund who are within the charge to UK Income/Corporation Tax are required to report their share of taxable income from the fund for the period 1. To this end, we enclose above a detailed breakdown of the income and gains earned by the fund during the period. This information is provided to all participants and does not take into account the The report represents 'sufficient information' for the purposes of both the UK reporting fund regime and the UK transparency regime.

| | | | |
|---|--------------------------|---|----------------------------------|
| Average Number of units in issue during period | Reporting period | 01/10/2013 - 30/09/2014 | 01/10/2013 - 30/09/2014 |
| Class of interest | Class of interest | 890,909 | 110,912 |
| ISIN No. | ISIN No. | C Share Class (Euro Unit) FR0010016477 | V Capitalisation FR0011510023 |

UK Corporate Investors

| | Total class result | Per unit | Total class result | Per unit |
|---|---------------------------|-----------------|---------------------------|-----------------|
| | € | € | € | € |
| <u>BONDS</u> | | | | |
| Interest Income | 924,794.48 | 1.0380 | 84,992.97 | 0.7663 |
| Withholding tax | 0.00 | 0.0000 | 0.00 | 0.0000 |
| Charges on temporary purchases, sales of securities and financial debts | (255,697.89) | (0.2870) | (23,449.80) | (0.2114) |
| <u>DIVIDEND INCOME FROM SHARES AND INVESTMENT FUNDS</u> | | | | |
| Dividend Income | 4,194,007.12 | 4.7076 | 384,454.70 | 3.4663 |
| Withholding tax (see note 6) | (1,317,201.56) | (1.4785) | (121,647.84) | (1.0968) |
| <u>DERIVATIVES</u> | | | | |
| Derivative Income | 140,086.36 | 0.1572 | 22,658.80 | 0.2043 |
| Profit on gains/losses arising on derivatives held | (1,099,498.02) | (1.2341) | 76,244.88 | 0.6874 |
| Charges on forward financial instruments | (1,012,291.71) | (1.1362) | (92,657.32) | (0.8354) |
| <u>OTHER INCOME</u> | | | | |
| Bank interest income | 39,681.67 | 0.0445 | 3,641.40 | 0.0328 |
| Profit on gains/losses arising on deposits and financial instruments | 0.00 | 0.0000 | 0.00 | 0.0000 |
| <u>ADDITIONAL ADJUSTMENT FROM INVESTMENT FUNDS IN ACCORDANCE WITH UK REPORTING RULES</u> | | | | |
| Income from reporting funds (regulation 89C) (see note 3) | 27,323.59 | 0.0307 | 2,523.42 | 0.0228 |
| Income from non reporting funds (regulation 89E) (see note 4) | 1,221,103.20 | 1.3706 | 112,772.84 | 1.0168 |
| <u>EXPENSES</u> | | | | |
| Management expenses (see note 5) | (11,876,945.06) | (13.3313) | (939,989.57) | (8.4751) |
| Other financial charges | 0.00 | 0.0000 | 0.00 | 0.0000 |

Notes:

- 1) In accordance with regulation 92D, the fund remains a reporting fund as at the date the report was issued.
- 2) This report does not take into account the specific circumstances and tax profile of each participant. If any participants are in doubt, they should consult their own professional advisors with regard
- 3) During the period, the fund held investments in the reporting funds listed in Appendix 89C and adjustments have been made in accordance with regulation 89C.
- 4) During the period, the fund held investments in the non-reporting funds listed in Appendix 89E and adjustments have been made in accordance with regulation 89E.
- 5) Management expenses comprise of all costs expensed directly to the fund apart from transaction fees. It may also include outperformance and transfer fees.
- 6) It was not possible to obtain a source by source split of Income and associated withholding tax on a share class basis.

UK Individual Investors

| | Total class result | Per unit | Total class result | Per unit |
|---|---------------------------|-----------------|---------------------------|-----------------|
| | € | € | € | € |
| <u>BONDS (see note 3)</u> | | | | |
| Interest Income | 924,794.48 | 1.0380 | 84,992.97 | 0.7663 |
| Withholding tax | 0.00 | 0.0000 | 0.00 | 0.0000 |
| Charges on temporary purchases, sales of securities and financial debts | (255,697.89) | (0.2870) | (23,449.80) | (0.2114) |
| <u>DIVIDEND INCOME FROM SHARES AND INVESTMENT FUNDS (see note 3)</u> | | | | |
| Dividend Income | 4,194,007.12 | 4.7076 | 384,454.70 | 3.4663 |
| Withholding tax (see note 7) | (1,317,201.56) | (1.4785) | (121,647.84) | (1.0968) |
| <u>DERIVATIVES</u> | | | | |
| Derivative Income | 0.00 | 0.0000 | 0.00 | 0.0000 |
| Profit on gains/losses arising on derivatives held | 0.00 | 0.0000 | 0.00 | 0.0000 |

| | | | | |
|---|-----------------|-----------|--------------|----------|
| Charges on forward financial instruments | 0.00 | 0.0000 | 0.00 | 0.0000 |
| <u>OTHER INCOME</u> | | | | |
| Bank interest income (see note 3) | 39,681.67 | 0.0445 | 3,641.40 | 0.0328 |
| Profit on gains/losses arising on deposits and financial instruments | 0.00 | 0.0000 | 0.00 | 0.0000 |
| <u>ADDITIONAL ADJUSTMENT FROM INVESTMENT FUNDS IN ACCORDANCE WITH UK REPORTING RULES</u> | | | | |
| Income from reporting funds (regulation 89C) (see note 4) | 27,323.59 | 0.0307 | 2,523.42 | 0.0228 |
| Income from non reporting funds (regulation 89E) (see note 5) | 1,221,103.20 | 1.3706 | 112,772.84 | 1.0168 |
| <u>EXPENSES</u> | | | | |
| Management expenses (see note 6) | (11,876,945.06) | (13.3313) | (939,989.57) | (8.4751) |
| Other financial charges | 0.00 | 0.0000 | 0.00 | 0.0000 |

Notes:

- 1) In accordance with regulation 92D, the fund remains a reporting fund as at the date the report was issued.
- 2) This report does not take into account the specific circumstances and tax profile of each participant. If any participants are in doubt, they should consult their own professional advisors with regard
- 3) There were not sufficient information to obtain income received on a receipts basis, as such income on an accruals basis has been used as a best estimate.
- 4) During the period, the fund held investments in the reporting funds listed in Appendix 89C and adjustments have been made in accordance with regulation 89C.
- 5) During the period, the fund held investments in the non-reporting funds listed in Appendix 89E and adjustments have been made in accordance with regulation 89E.
- 6) Management expenses comprise of all costs expensed directly to the fund apart from transaction fees. It may also include outperformance and transfer fees.
- 7) It was not possible to obtain a source by source split of Income and associated withholding tax on a share class basis.
- 8) The transaction fees suffered in the period have been banked as capital in the financial statements



Appendix 89E - Adjustment for investment funds under Regulations 89E

Fund Candriam Index Arbitrage

Non reporting funds

| Non-reporting fund ISIN | Non-reporting fund name | Fair value movement EUR | C Share Class (Euro Unit) FR0010016477 | | Loss carried forward EUR | V Capitalisation FR0011510023 | | Loss carried forward EUR |
|----------------------------|---------------------------------|----------------------------|---|------------------------|--------------------------------|----------------------------------|------------------------|--------------------------------|
| | | | Allocation EUR | Per unit amount EUR | | Allocation EUR | Per unit amount EUR | |
| US4642861037 | ISHARES INC/MSCI AUSTRALIA IND* | (176,893) | (161,938) | (0.1818) | (5,602,384) | (14,955) | (0.1348) | (517,398) |
| LU0354091901 | DEXIA MM EUR AAA -I-CAP | 63,453 | 58,088 | 0.0652 | - | 5,365 | 0.0484 | - |
| FR0010813105 | DEXIA DIV FUT -I-CAP 3DEC* | (26,112) | (23,904) | (0.0268) | (23,904) | (2,208) | (0.0199) | (2,208) |
| FR0010931717 | DEXIA GLOBAL ALPHA -I- 3DEC | 294,527 | 269,626 | 0.3026 | - | 24,901 | 0.2245 | - |
| US4642865095 | ISHS MSCI CANADA - SHS | 380,992 | 348,781 | 0.3915 | - | 32,211 | 0.2904 | - |
| US4642872349 | ISHS MSCI EMERGING MARKET -SHS* | (146,425) | (134,046) | (0.1505) | (134,046) | (12,380) | (0.1116) | (12,380) |
| US4642877397 | ISHS US REAL ESTATE - SHS | 594,905 | 544,608 | 0.6113 | - | 50,296 | 0.4535 | - |
| US81369Y6059 | FINANCIAL SELECT SECTOR SPDR * | (399,589) | (365,805) | (0.4106) | (408,813) | (33,783) | (0.3046) | (37,755) |
| Sub-fund adjustment | | | 490,653 | 0.5507 | (5,626,288) | 45,313 | 0.4086 | (519,606) |

* for prudence purposes any losses resulting from non-reporting funds have been capped to zero in the HMRC report.

Appendix 89C - Adjustment for investment funds under Regulations 89C

Reporting funds

| Reporting fund ISIN | Reporting fund name | Accounting period of target fund | Deemed distribution date | Excess reportable income | Target fund currency | Number of units held at underlying year end | Adjustment in sub- fund currency (EUR) - note 1 | C Share Class (Euro Unit) FR0010016477 | | V Capitalisation FR0011510023 | |
|---------------------|---|----------------------------------|--------------------------|-----------------------------|-------------------------|--|---|---|-----------------|----------------------------------|-----------------|
| | | | | | | | | Allocation | Per unit amount | Allocation | Per unit amount |
| US57060U1007 | MARKET VECTORS ETF GOLD MINERS - note 1 | 31/12/2013 | 30/06/2014 | 0.0880 | USD | 463,000 | 29,847.02 | EUR 27,324 | EUR 0.0307 | EUR 2,523 | EUR 0.0028 |
| US57060U1916 | MKT VECT OIL SVCS ETF USD/D - note 2 | 31/12/2013 | 30/06/2014 | 0.0000 | USD | - | - | - | 0.0000 | - | 0.0000 |

Note 1: The exchange rate used is the spot rate of EUR 0.73255 / USD as at the deemed distribution date, the underlying fund currency amount is \$40,744.

Note 2: The underlying fund was held during the period, but was fully disposed before the year end of its accounting period - hence no excess reportable income would be due.

Note 3: The Fund held investments in REITs at points throughout the reporting period. These have been reviewed but none meet the conditions to be considered a mutual fund.

