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Luxembourg, 6 May 2015

Re : Long Term Investment Fund (SIA)

LU0301246855	LTIF-Alpha-CHF Class
LU0244072178	LTIF-Alpha-EUR Class
LU0301247150	LTIF-Alpha-USD Class
LU1128810261	LTIF-Stability-A Cap-EUR

LONG TERM INVESTMENT FUND (SIA)
Société d'investissement à capital variable
Registered Office: 15, avenue J.-F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg B 113.981
(the "**Company**")

Luxembourg, 6 May 2015

To the attention of the shareholders of Long Term Investment Fund (SIA) – Alpha and Long Term Investment Fund (SIA) – Stability.

Dear Shareholder,

The purpose of this letter is to inform you about the proposal of the board of directors of the Company (the "**Board**") to merge Long Term Investment Fund (SIA) – Alpha (the "**Merging Sub-Fund**") into Long Term Investment Fund (SIA) – Stability (the "**Receiving Sub-Fund**").

Following the merger, the Merging Sub-Fund shall be dissolved without going into liquidation.

1. Rationale and background for the merger

The Merging Sub-Fund has seen over recent months a stable but not growing asset base of EUR 9.1 Mio. as of 31 January 2015.

In the opinion of the Board, it is unlikely that the Merging Sub-Fund's assets will grow again sufficiently to make the Merging Sub-Fund viable over the long term. Considering the recent launch of the Receiving Sub-Fund, Shareholders in the Merging Sub-Fund have now a very attractive alternative investment product with even a lower management fee but a very similar investment policy and with better growing perspectives.

Therefore a merger of the Merging Sub-Fund into the Receiving Sub-Fund is expected to clearly improve the cost structure and efficiency of management.

As a result, the Board considers that the decision to merge the Merging Fund into the Receiving Fund is conducive to the Merging Fund and best serves the interests of its Shareholders.

2. Impact on Shareholders and Shareholders' rights

a. Merging Sub-Fund

Upon the Effective Date, Shareholders who have not requested redemption or conversion of their shares in the Merging Sub-Fund will become Shareholders of Receiving Sub-Fund and receive shares of the Receiving Sub-Fund, as further detailed in the table contained in Section 4 below.

For Shareholders holding shares in the Merging Sub-Fund, the aggregate value of the New Shares allocated to the Shareholders will correspond to the aggregate value (or its equivalent in EUR for Alpha CHF shares) of the shares which they hold in the Merging Sub-Fund, it being noted (i) that the actual number and the net asset value of the Class A CAP EUR shares issued in the Receiving Sub-Fund will vary and (ii) that the actual number and the net asset value of the Class CAP USD shares in the Receiving Sub-Fund will be identical to the number and the net asset value of the Alpha USD shares in the Merging Sub-Fund.

No further requests for subscription in the Merging Sub-Fund will be accepted after the valuation date falling as of 10 June 2015.

For the avoidance of doubt, Shareholders will continue to hold shares in a Luxembourg regulated investment company and benefit from the same rights and from the general safeguards applicable to UCITS.

If Shareholders of the Merging Sub-Fund become Shareholders of the Receiving Sub-Fund, they may continue to participate and exercise their voting rights in Shareholder meetings, request redemption and conversion of their shares on any dealing day and may, depending on their share class, be eligible for distributions in accordance with the articles of incorporation and the prospectus of the Company as from the day following the Effective Date.

b. Receiving Sub-Fund

Shareholders in the Receiving Sub-Fund who do not wish to participate to the merger, may ask for the redemption of their shares or the switch of their holding, free of charge, into any other sub-fund of the Company, details of which are disclosed in the current prospectus of the Company (provided that such other sub-funds have obtained recognition for marketing in the applicable jurisdiction), free from any charge, by no later than 9 June 2015 at 16:00 hours (Luxembourg time).

Subscription requests in the Receiving Sub-Fund will be dealt with in accordance with the usual procedures detailed in the Company's prospectus.

As the Merging Fund and the Receiving Fund are both sub-funds of the Company, the procedures which apply to matters such as subscription, redemption and conversion of shares, as well as the general investment restrictions and method of calculating the net asset value, are identical.

It is not expected that the Receiving Sub-Fund's portfolio be rebalanced in the context of the merger and that the merger entail a dilution for the existing Shareholders of the Receiving Sub-Fund.

Please find hereafter the comparison of the impact in terms of expenses between the Merging Sub-Fund and the Receiving Sub-Fund:

	Long Term Investment Fund (SIA) – Alpha	Long Term Investment Fund (SIA) – Stability
Share Class	Alpha*	A CAP*
Initial Charge	0%	0%
Investment Management and Global Distribution Fees	1.5%	0.9%
Management Company and Custodian Fees	Up to 0.5%	Up to 0.5%
Performance Fees high watermark	20% On the Effective Date, the Performance Fee for the Merging Sub-Fund will be calculated and paid out in accordance with the high watermark set at EUR 191.19 (or its equivalent in CHF or USD) for all share classes	15% After the Effective Date, the Performance Fee for the Receiving Sub-Fund will be calculated in accordance with the high watermark set at EUR 188.19 (or its USD equivalent) for all share classes
Total Expense Ratio (Annualised total expenses based on month end charges at 31.12.2014)	CHF - LU0301246855 2.04% EUR - LU0244072178 2.03% USD - LU0301247150 2.04%	EUR - LU1128810261 3.42%

* The same fee structure applies to all outstanding share classes notwithstanding that they are denominated in distinct currencies i.e. CHF, EUR and USD for Alpha classes of shares and EUR and USD for A CAP classes of shares.

The Transfer Agent of the Company will be instructed to inform any new investor subscribing in the Merging Sub-Fund between the date the notice relating to the Merger is mailed to Shareholders and the Effective Date (as defined below).

c. Comparison between the Merging Sub-Fund and the Receiving Sub-Fund

The differences between the Merging Sub-Fund and the Receiving Sub-Fund are detailed in Appendix I. For a complete description of the respective investment objectives and policies and related risks, please refer to the prospectus of the Company and the attached KIIDs for the Receiving Sub-Fund. Shareholders are invited to carefully read the attached KIID of the Receiving Sub-Fund.

d. Merger Procedure

Upon the approval by the Board of Directors of the Company, the merger will become effective as of 10 June 2015 at midnight (Luxembourg time) (the "**Effective Date**").

Upon the Effective Date, the Merging Sub-Fund will transfer its assets and liabilities (the "**Assets**") to the Receiving Sub-Fund (as detailed below).

a. Redemption procedure

Shareholders in the Merging Sub-Fund who do not wish to participate to the merger, may ask for the redemption of their shares or the conversion of their holding, free of charge, into any other sub-fund of the Company, details of which are disclosed in the current prospectus of the Company (provided that such other sub-funds have obtained recognition for marketing in the applicable jurisdiction), free from any charge, by no later than 9 June 2015 at 16:00 hours (Luxembourg time).

b. Exchange procedure

Shareholders of the Merging Sub-Fund who have not requested redemption of their shares in the Merging Sub-Fund will receive shares of the corresponding classes of shares in the Receiving Sub-Fund (see table below) (it being noted that holders of Alpha CHF shares will receive A CAP EUR shares considering that no A CAP shares are denominated in CHF), which will be issued without charge, without par value and in registered form (the "**New Shares**"):

Merging Sub-Fund and share classes	Receiving Sub-Fund and share classes
Long Term Investment Fund (SIA) – Alpha	Long Term Investment Fund (SIA) – Stability
- Alpha EUR	- A CAP EUR
- Alpha CHF	
- Alpha USD	- A CAP USD

For Shareholders holding shares in the Merging Sub-Fund, the aggregate value of the New Shares allocated to the Shareholders in the Receiving Sub-Fund will correspond to the aggregate value (or its equivalent in EUR for Alpha CHF shares) of the shares which they hold in the Merging Sub-Fund as of the Effective Date, it being noted (i) that the actual number and the net asset value of the Class A CAP EUR shares issued in the Receiving Sub-Fund will vary and (ii) that the actual number and the net asset value of the Class CAP USD shares in the Receiving Sub-Fund will be identical to the number and the net asset value of the Alpha USD shares in the Merging Sub-Fund.

For the avoidance of any doubt, the net asset value of the shares in the Merging Sub-Fund (which will permit the exchange ratio to be calculated as of the Effective Date) will be calculated for the last time as of the Effective Date.

All Assets of the Merging Sub-Fund and the Receiving Sub-Fund will be valued in accordance with the valuation principles contained in the prospectus and the articles of incorporation of the Company on the Effective Date. The outstanding liabilities generally comprise fees and expenses due but not paid, as reflected in the Assets of the Company.

Any accrued income in the Merging Sub-Fund at the time of the merger will be included in the calculation of its final net asset value per share and such accrued income will be accounted for on an ongoing basis after the Merger in the net asset value per share calculation in the relevant share class of the Receiving Sub-Fund.

As from the Effective Date, the Merging Sub-Fund will be dissolved without going into liquidation.

e. Costs of the Merger

The expenses incurred in the merger, including legal, accounting, custody and other administrative will be borne by SIA Funds AG.

f. Tax impact

The merger will not subject the Merging Sub-Fund, the Receiving Sub-Fund or the Company to taxation in Luxembourg. Investors may however be subject to taxation in their tax domiciles or other jurisdictions where they pay taxes.

Notwithstanding the above, as tax laws differ widely from country to country, investors are advised to consult their tax advisers as to the tax implications of the Merger specific to their individual cases.

g. Availability of Documents

The common merger proposal and the most recent full prospectus of the Company are available at the registered office of the Company, upon request, free of charge.

Upon request copies of the report of the approved statutory auditor of the Company relating to the merger may be obtained free of charge at the registered office of the Company.

Copies of material contracts of the Company may be obtained and/or inspected free of charge at the registered office of the Company.

If you have any queries about the proposed merger or require any further information, please contact FundPartner Solution (Europe) S.A. or your relationship manager.

On behalf of Long Term Investment Funds (SIA),



Director

APPENDIX I

COMPARISON OF KEY FEATURES OF LONG TERM INVESTMENT FUND (SIA) – ALPHA (THE "MERGING SUB-FUND") INTO –LONG TERM INVESTMENT FUND (SIA) – STABILITY (THE "RECEIVING SUB-FUND"),

Shareholders are invited to refer to the prospectus of the Company for more information on the respective features of the Merging Sub-Fund and the Receiving Sub-Fund.

Unless stated otherwise, the terms used in this Appendix are as defined in the prospectuses.

PRODUCT FEATURES	THE MERGING SUB-FUND	THE RECEIVING SUB-FUND
Name of the sub-fund	Long Term Investment Fund (SIA) – Alpha	Long Term Investment Fund (SIA) – Stability
Name of the umbrella	Long Term Investment Fund (SIA)	Long Term Investment Fund (SIA)
Reference Currency of the sub-fund	EUR	EUR
Reference Currency of the umbrella	EUR	EUR
Financial year	1 January to 31 December	1 January to 31 December
Annual General Meeting	the last Friday of April at 11 a.m	the last Friday of April at 11 a.m
I. INVESTMENT OBJECTIVES AND POLICIES AND RELATED RISKS		
Investment Objective and Policies	<p>To provide long-term capital appreciation, primarily through investment in a select portfolio of equity securities of undervalued companies worldwide which the Investment Manager believes offer the best potential for high future growth and profitability. To achieve this, the Investment Manager will adopt an active management strategy, by aggressively positioning the portfolio according to prevailing market conditions on the basis of a selected number of securities which it believes have the potential to provide enhanced returns relative to the market. The portfolio will be essentially identical to that of “LONG TERM INVESTMENT FUND (SIA) – Classic”, another Sub-Fund of the Company. In addition to the investment policy of this latter one, the Investment Manager of the Merging Sub-Fund will try to isolate the portfolio returns from the vagaries of the markets by</p>	<p>To provide long-term capital appreciation, primarily through investment in a select portfolio of worldwide equities and occasionally in some debt securities. To achieve this, the Investment Manager will attempt to hold volatility low while providing a healthy net return clearly above basic interest rates over the medium term.</p> <p>The Receiving Sub-Fund will seek to have an exposure to equities, equity related securities and debt securities (including money market instruments).</p> <p>In order to achieve its objective, the Receiving Sub-Fund will mainly invest:</p> <ul style="list-style-type: none"> - predominantly, directly in the securities mentioned in the previous paragraph; and/or - in collective investment

	<p>taking a short position against the indices via the use of derivative techniques and instruments, as set out in more details below. In this way, the net returns of the Merging Sub-Fund will only amount to the outperformance of the Merging Sub-Fund's portfolio, regardless of what the markets do. Over time, this strategy should lead to a lower volatility than that of the "Classic" Sub-Fund: if the securities are well picked, the Merging Sub-Fund will post relatively good results when the markets are down and less good when they are up.</p> <p>The Merging Sub-Fund will mainly invest in equity and equity related securities (including convertible bonds) issued by companies worldwide.</p> <p>The portfolio will be made of a limited, yet diversified, selection of securities considered by the Investment Manager as offering the greatest potential for profitability, which is key in the Merging Sub-Fund's long term investment philosophy. Investment risk will be spread by preserving a neutral bias, hence there will apply no restrictions as to specific currency, sector or regional (including emerging markets) weights.</p> <p>Investments in debt securities, within the meaning of Council Directive 2003/48/EC ("EU Savings Directive") on the taxation of savings income, will be limited to 25% of the Merging Sub-Fund's net assets. It is therefore presently expected that capital gains realised by Shareholders on the disposal of Shares in the Merging Sub-Fund will not be subject to the reporting or withholding requirements imposed by the EU Savings Directive.</p> <p>For hedging and for any other purposes, within the limits set out in</p>	<p>schemes (UCIs and/or UCITS) having as main objective to invest or grant an exposure to the above-mentioned asset classes, within the 10% limit below mentioned applicable to UCIs; and/or</p> <ul style="list-style-type: none"> - in any transferable securities (such as structured products, as described below) linked or offering an exposure to the performance of the above-mentioned securities. <p>As regards the equity side of investments, the Receiving Sub-Fund will invest, but will not be limited to, in equity and equity related securities issued by undervalued companies. Such securities may consist of ordinary or preferred shares, convertible bonds of any type.</p> <p>The Receiving Sub-Fund's investments in Russia, other than those which are listed on the MICEX-RTS and any other regulated markets in Russia, combined with investments that are made in other assets as referred in item 27.1 (A) (2) of the chapter "Investment restrictions" of the Company's prospectus, shall not exceed 10% of the net assets of the Receiving Sub-Fund.</p> <p>As regards the fixed income side, the portfolio of the Receiving Sub-Fund will include, but will not be limited to, bonds and other fixed and floating rate securities denominated in various currencies and issued by governments, government agencies, supra-national and corporate issuers worldwide.</p> <p>However, investments in debt securities, within the meaning of</p>
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	<p>the chapter "Investment restrictions" of the prospectus, the Merging Sub-Fund may use all types of financial derivative instruments traded on a regulated market and/or over the counter (OTC) provided they are contracted with leading financial institutions specialized in this type of transactions. In particular, the Merging Sub-Fund may take exposure through any financial derivative instruments such as but not limited to warrants, futures, options, swaps (including but not limited to total return swaps, contracts for difference, credit default swaps) and forwards on any underlying in line with the 2010 Law as well as the investment policy of the Merging Sub-Fund, including but not limited to, currencies (including non delivery forwards), interest rates, transferable securities, basket of transferable securities, indexes (including but not limited to commodities, precious metals or volatility indexes), undertakings for collective investment.</p> <p>The Merging Sub-Fund may also invest in structured products, such as but not limited to credit-linked notes, certificates or any other transferable securities whose returns are correlated with changes in, among others, an index selected in accordance with the article 9 of the grand-ducal regulation dated 8 February 2008 (including indexes on volatility, commodities, precious metals, etc), currencies, exchange rates, transferable securities or a basket of transferable securities, commodities with cash settlement (including precious metals) or an undertaking for collective investment, at all times in compliance with the grand-ducal regulation.</p> <p>In compliance with the grand-ducal regulation, the Merging Sub-Fund</p>	<p>Council Directive 2003/48/EC ("EU Savings Directive") on the taxation of savings income, will not exceed 25% of the Receiving Sub-Fund's net assets. It is therefore presently expected that capital gains realised by Shareholders on the disposal of Shares in the Receiving Sub-Fund will not be subject to the reporting or withholding requirements imposed by the EU Savings Directive.</p> <p>Investment risk will be spread by preserving a neutral bias, hence there will apply no restrictions as to specific currency, sector or regional weights (including emerging markets). However, depending on financial market conditions, a particular focus can be placed in a single country (or some countries) and/or in a single currency and/or in a single economic sector.</p> <p>The Receiving Sub-Fund may also invest up to 10% of its net assets in other open-ended UCIs and UCITS.</p> <p>The Receiving Sub-Fund will be normally fully invested; however, if the Investment Manager considers this to be in the best interest of the shareholders, the Receiving Sub-Fund may, on a temporary basis and for defensive purposes, hold liquid assets up to 100% of its net assets, as among others cash deposits, money market UCIs and money market instruments.</p> <p>The Receiving Sub-Fund may also invest in structured products, such as but not limited to credit-linked notes, certificates or any other transferable securities whose returns are correlated with changes in, among others, an index selected in accordance with the article 9 of the grand-ducal regulation dated 8 February 2008 (including indices on volatility, commodities, precious metals, etc.), currencies, exchange</p>
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	<p>may also invest in structured products without embedded derivatives, correlated with changes in commodities (including precious metals) with cash settlement.</p> <p>Those investments may not be used to elude the investment policy of the Merging Sub-Fund.</p> <p>The Merging Sub-Fund may also invest up to 10% of its net assets in other open-ended undertakings for collective investment.</p> <p>The Merging Sub-Fund's investments in Russia, other than those which are listed on the MICEX-RTS (and any other regulated markets in Russia), combined with investments that are made in other assets as referred in item 27.1. (A) (2) of the chapter "Investment restrictions", shall not exceed 10% of the net assets of the Merging Sub-Fund.</p> <p>The Merging Sub-Fund will be normally fully invested, however if the Investment Manager considers this to be in the best interest of the shareholders, the Merging Sub-Fund may also hold up to 100% of its net assets liquidities, as among others cash deposits, money market funds (within the limit of 10% of its net assets in other open-ended undertakings for collective investment) and money market instruments.</p>	<p>rates, transferable securities or a basket of transferable securities or an undertaking for collective investment, at all times in compliance with the grand-ducal regulation.</p> <p>In compliance with the grand-ducal regulation, the Receiving Sub-Fund may also invest in structured products without embedded derivatives, correlated with changes in commodities (including precious metals) with cash settlement.</p> <p>For hedging and for efficient portofolio management, within the limits set out in the chapter "Rules and restrictions applicable to the fund's investments" of the prospectus, the Receiving Sub-Fund may use all types of financial derivative instruments traded on a regulated market and/or over the counter (OTC) provided they are contracted with leading financial institutions specialized in this type of transactions and subject to regulatory supervision. In particular, the Receiving Sub-Fund may take exposure through any financial derivative instruments such as but not limited to warrants, futures, options, swaps (including but not limited to total return swaps, contracts for difference, credit default swaps) and forwards on any underlying in line with the 2010 Law as well as the investment policy of the Receiving Sub-Fund, including but not limited to, currencies (including non-delivery forwards), interest rates, transferable securities, basket of transferable securities, indices (including but not limited to commodities, precious metals or volatility indices), undertakings for collective investment.</p> <p>However, normally and most of the time, it is expected that the</p>
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		Receiving Sub-Fund will use options and futures on authorized underlying. Total return swaps will not be part of the core strategy but allowed in an opportunistic manner and on an ancillary basis.
Investor Profile	This Merging Sub-Fund is a higher risk vehicle aiming to provide capital growth. It may be suitable for investors who are more concerned with maximising long term returns than minimising possible short term losses, hence it requires an investment horizon of at least 5 years.	This Receiving Sub-Fund is a medium risk vehicle aiming to provide capital growth. It may be suitable for investors seeking prudent balanced diversification, combining mainly equity and some debt market exposure. The recommended investment horizon is 3 to 5 years.
Synthetic Risk Reward Indicator (SRRI)	Alpha EUR : 5 Alpha USD: 6 Alpha CHF: 6	5
Specific Risk Consideration	<ul style="list-style-type: none"> - Liquidity Risk - Credit Risk - Risks from the use of derivatives 	<ul style="list-style-type: none"> - Liquidity risk - Counterparty risk - Credit risk - Risks from the use of derivatives - Leverage in certain types of transactions - Operational risks
II. SHARE CLASSES		
Share Classes	Alpha EUR Alpha CHF	A CAP EUR
	Alpha USD	A CAP USD
III. FEES TO BE BORNE BY THE SHAREHOLDERS		
Entry charge	N/A	N/A
Redemption fee	N/A	N/A

IV. FEES PAID OUT OF THE SUB-FUND ASSETS		
Management and Custodian Fees	The Custodian and the Management Company are remunerated in accordance with customary practice in the Luxembourg financial market up to a maximum of 0,50% per annum of the Merging Sub-Fund's total average net assets, payable on a quarterly basis.	The Custodian and the Management Company are remunerated in accordance with customary practice in the Luxembourg financial market up to a maximum of 0,50% per annum of the Receiving Sub-Fund's total average net assets, payable on a quarterly basis.
Investment Management Fees	1.5%	0.9%
Performance Fees	The Investment Manager will receive a performance fee, paid quarterly, based on the net asset value (NAV), equivalent to 20 % of the performance of the NAV per share exceeding the high water mark.	The Investment Manager will receive a performance fee, paid quarterly, based on the net asset value (NAV), equivalent to 15 % of the performance of the NAV per share exceeding the high water mark.
Total Expense Ratio (Annualised total expenses based on month end charges at 31.12. 2014)	CHF - LU0301246855 2.04% EUR - LU0244072178 2.03% USD - LU0301247150 2.04%	EUR - LU1128810261 3.42%
V. SERVICE PROVIDERS		
Management Company and Central Administration Agent	FundPartner Solutions (Europe) S.A. 15, avenue J.-F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg	FundPartner Solutions (Europe) S.A. 15, avenue J.-F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Investment Manager and Global Distributor	SIA Funds AG Parkweg, 1 8866 Ziegelbrücke Switzerland	SIA Funds AG Parkweg, 1 8866 Ziegelbrücke Switzerland
Custodian	Pictet & Cie (Europe) S.A. 15A, avenue J.-F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg	Pictet & Cie (Europe) S.A. 15A, avenue J.-F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Auditor	Deloitte Audit S.à r.l. 560, rue de Neudorf L-2220 Luxembourg	Deloitte Audit S.à r.l. 560, rue de Neudorf L-2220 Luxembourg