

**PARVEST**  
*SICAV under Luxembourg law – UCITS class*  
*Registered Office: 10, Rue Edward Steichen, L-2540 Luxembourg*  
*Luxembourg Trade and Company Register No. B 33363*

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

**Notice to the Shareholders**

Following our company's rebranding, our company's website will be changed from <http://www.bnpparibas-ip.com.hk> to <http://www.bnpparibas-am.hk> with immediate effect. Investors should note that this website has not been reviewed by the SFC.

The Board of Directors of PARVEST accepts responsibility for the accuracy of the contents of this notice.

Hong Kong shareholders may contact BNP PARIBAS ASSET MANAGEMENT Asia Limited, the Hong Kong Representative of PARVEST, at (852) 2533 0088 for questions.

30 June 2017

**BNP PARIBAS ASSET MANAGEMENT Asia Limited**



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**Notice to Shareholders**

As part of the annual review of the issued Multi-Currencies, the Board of Directors of PARVEST decided for economic reasons to remove the Multi-Currency facility of the following share classes effective 13 January 2017. The Multi-Currency facility gave investors the option to invest in "Other Valuation Currency" in addition to the Reference Currency of the share class. Removing the Multi-Currency facility means that the "Other Valuation Currency" is no longer available.

<b>Fund</b>	<b>Class</b>	<b>ISIN</b>	<b>Reference Currency</b>	<b>Other Currency</b>	<b>Valuation Currency</b>
PARVEST Sustainable Equity High Dividend Europe	Classic – Cap	LU0111491469	EUR	USD	
PARVEST Sustainable Equity High Dividend Europe	Classic – Dis	LU0111491626	EUR	USD	

On 13 January 2017, investors' holdings in the Other Valuation Currency (i.e. USD) of the above share classes have been transformed into the Reference Currency (i.e. EUR) of the same share classes with the same ISIN code. The number of shares held by investors remain exactly the same after the transformation. You are receiving this notice because you had invested into the above share classes in the Valuation Currency instead of the Reference Currency.

It has been identified subsequently that the removal of this facility constitutes a change to the dealing arrangements of share classes under the SFC rules. Such changes require SFC prior approval and a notification to investors one month prior to the change being effected. Shareholders who disagree with the change could redeem their units in the investing currency free of charge and without incurring an FX cost.

Shareholders who do not accept the change may request the redemption of their shares in the previously held Other Valuation Currency (i.e. USD) free of charge and without bearing any FX transaction cost for a period of one month from the date of this notice.

The Management Company of PARVEST accepts responsibility for the accuracy of the contents of this notice.

Hong Kong shareholders may contact BNP Paribas Investment Partners Asia Limited, the Hong Kong Representative of PARVEST, at (852) 2533 0088 for questions.

29 May 2017

**BNP Paribas Investment Partners Luxembourg, Management Company of PARVEST**

## PARVEST

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## Notice to the Shareholders Rebranding of BNP Paribas Investment Partners

***BNP Paribas Investment Partners Luxembourg***

***becomes***

***BNP Paribas Asset Management Luxembourg***

**As of 1st June 2017**, the following entities of “BNP Paribas Investment Partners” group (the “Group”) will be rebranded “BNP Paribas Asset Management”. This rebranding solely consists in a change of name of the entities of the group without any other consequence, nor resulting in the creation of new legal entities.

As a consequence, “**BNP PARIBAS INVESTMENT PARTNERS Luxembourg**” (short-named “**BNPP IP Lux**”) will become “**BNP PARIBAS ASSET MANAGEMENT Luxembourg**” (short-named “**BNPP AM Lux**”). All references to the former name in any correspondence and documents will refer to the latter name after that said date. This change will also be reflected in the prospectuses or offering documents of all the investment funds managed by BNP PARIBAS INVESTMENT PARTNERS Luxembourg acting as Management Company.

Likewise, this change will also impact the name of the other entities of the Group as follows:

COUNTRY	CURRENT NAME	FUTURE NAME
HK	BNP PARIBAS INVESTMENT PARTNERS ASIA LIMITED	BNP PARIBAS ASSET MANAGEMENT Asia Limited
FRANCE	BNP PARIBAS ASSET MANAGEMENT S.A.S.	BNP PARIBAS ASSET MANAGEMENT France
JAPAN	BNP PARIBAS INVESTMENT PARTNERS Japan Ltd	BNP PARIBAS ASSET MANAGEMENT Japan Limited (since 1 <sup>st</sup> December 2017)
NETHERLANDS	BNP PARIBAS INVESTMENT PARTNERS Nederland N.V.	BNP PARIBAS ASSET MANAGEMENT Nederland N.V.
SINGAPORE	BNP PARIBAS INVESTMENT PARTNERS SINGAPORE LIMITED	BNP PARIBAS ASSET MANAGEMENT Singapore Limited
UK	BNP PARIBAS INVESTMENT PARTNERS UK Ltd	BNP PARIBAS ASSET MANAGEMENT UK Ltd
USA	Fischer Francis Trees & Watts, Inc.	BNP PARIBAS ASSET MANAGEMENT USA, Inc.

The changes above will not result in any increase in fees or charges to be borne by the shareholders or the sub-funds of PARVEST. Also, such changes will not result in any change to the investment objectives and risk profiles of the existing sub-funds of the PARVEST. There will be no impact that may materially prejudice existing shareholders' rights or interests.

The Board of Directors of PARVEST accepts responsibility for the accuracy of the contents of this notice.

Hong Kong shareholders may contact BNP Paribas Investment Partners Asia Limited, the Hong Kong Representative of PARVEST, at (852) 2533 0088 for questions.

10 May 2017

**The Board of Directors**



## PARVEST

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### **Notice to Shareholders**

The following changes will be incorporated in the next version of the Hong Kong Offering Document and will be effective on 18 April 2017.

#### **CHANGES APPLICABLE TO SUB-FUNDS**

##### **"Bond Best Selection World Emerging", "Bond World Emerging Local"**

Please note that in respect of its investments limits, the sub-fund's investments into debt securities traded on the China Interbank Bond Market (CIBM) may reach up to 25% of its assets.

Such investments include the following specific risks related to investments in Mainland China developed on Appendix 3 of Book I of the Luxembourg Prospectus:

- Changes in PRC taxation risk
- Risk related to Direct CIBM Access

Please refer to the detailed risk disclosures of the above specific risks as set out in the Appendix to this notice.

##### **"Bond USD"**

Please note that the reference benchmark mentioned in the investment policy ("Barclays US Aggregate") is now denominated (renamed as) "Bloomberg Barclays US Aggregate Total Return Value Unhedged USD".

The expected leverage of the sub-fund under notional method is increased from 1.15 to 2.00 (i.e. 115% to 200% of NAV). The maximum leverage level under commitment method remains at 2.0 (i.e. 200% of NAV)<sup>1</sup>.

This is not a change of the current strategy and asset allocation followed by the investment manager but a technical update due to the reduction of the assets of the sub-fund since end 2016. There is no material change or increase in the overall risk profile of the sub-fund following the update.

##### **"Convertible Bond World"**

Please note that the investment manager of the sub-fund will focus on convertible bonds strategies, investing in convertible bonds securities or achieving exposure to such securities by investing in fixed income securities and financial derivative instruments (such as options, swaps and/or contracts for difference).

This is not a change of the current strategies and asset allocation followed by the investment manager but a clarification regarding the possibility to achieve synthetic exposure to convertible bonds by investment in fixed income securities and financial derivative instruments.

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<sup>1</sup> The maximum leverage level under commitment method is an indicator only and not a regulatory limit.



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**“Equity Best Selection Asia ex-Japan”, “Equity China”, “Equity High Dividend Pacific”, “Equity World Emerging”, “Green Tigers”**

As a reminder, the above listed sub-funds may be exposed to mainland China securities.

As such these type of investments will now only be possible through “China A-shares” and financial derivatives instruments on this type of asset. Investments into debt securities traded on the Chinese Interbank Bond Market (CIBM) will no longer be available.

This change will have no impact on the current asset allocation of the sub-funds, and therefore on your investment.

Further, the above listed sub-funds would be provided with flexibility to invest directly in eligible China A-Shares via the Shenzhen-Hong Kong Stock Connect (“Shenzhen-Hong Kong Stock Connect”) in addition to investment via the Shanghai-Hong Kong Stock Connect. The overall exposure limit to mainland China securities (via both direct and indirect investments) would remain unchanged as below:

sub-fund	Exposure limit of asset of the sub-fund
PARVEST Equity Best Selection Asia ex-Japan	25%
PARVEST Equity High Dividend Pacific	25%
PARVEST Equity World Emerging	25%
PARVEST Green Tigers	25%
PARVEST Equity China	70%

### Eligible securities of Stock Connect

Stock Connect comprises a Northbound trading link and a Southbound trading link. Under the Northbound trading link, Hong Kong and overseas investors will be able to trade certain stocks listed on the Shanghai Stock Exchange (“SSE”) and the Shenzhen Stock Exchange (“SZSE”) markets. These include:

All the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index

All the constituent stocks from time to time of the SZSE Component Index and SZSE Small / Mid Cap Innovation Index with market capitalization at least RMB 6 billion

All the SZSE-listed China A-Shares and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices, which have corresponding H-Shares listed on Hong Kong Exchanges and Clearing Limited (“SEHK”), except the following:

- (a) SSE/SZSE-listed shares which are not traded in RMB;
- (b) SSE/SZSE-listed shares which are risk alert shares; and
- (c) SZSE-listed shares which are under delisting arrangement.

It is expected that the list of eligible securities will be subject to review. If a stock is recalled from the scope of eligible securities for trading via Stock Connect, the stock can only be sold and cannot be bought. This may affect the investment portfolio or strategies of investors. Investors should therefore pay close attention to the list of eligible securities as provided and renewed from time to time by SSE, SZSE and SEHK.



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### Risks associated with the Shenzhen-Hong Kong Stock Connect

Please note that investments through the Shenzhen-Hong Kong Stock Connect are subject to similar risks as those applicable to the Shanghai-Hong Kong Stock Connect as set out in the Hong Kong Covering Document and the section "Risks related to Stock Connect" under "Specific Risks Related to Investments in Mainland China" in "Appendix 3 – Investment Risks" of Book I of the Luxembourg Prospectus.

Changes above will not result in any increase in fees or charges to be borne by the shareholders or the sub-funds of PARVEST. Also, such changes will not result in any change to the investment objectives and risk profiles of the existing sub-funds of the PARVEST. Shareholders who do not approve these changes may request the redemption of their shares free of charge from the date of this notice until 6PM Hong Kong time on 13 April 2017.

The Board of Directors of PARVEST accepts responsibility for the accuracy of the contents of this notice.

Hong Kong shareholders may contact BNP Paribas Investment Partners Asia Limited, the Hong Kong Representative of PARVEST, at (852) 2533 0088 for questions.

1 March 2017

**The Board of Directors**



## **PARVEST**

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### **APPENDIX**

#### **Changes in PRC taxation risk**

Investment in the sub-funds may involve risks due to unclear fiscal measures in the PRC. According to PRC tax laws, regulations and policies ("PRC Tax Rules"), RQFIs and certain eligible foreign institutional investors without an establishment or place in China are temporarily exempt from withholding income tax on capital gains derived from the trading of equity investment assets (including A-shares). There are no specific PRC Tax Rules which govern the taxation of gains on the disposal of other investments, such as debt securities, futures and listed fund investments and the current practice of exemption may not be consistently applied to all such investments and is based on verbal comments and practice of the tax administration. The PRC Tax Rules may not be interpreted and applied as consistent and transparent as those of more developed countries and may vary from city to city and in some cases certain taxes which could be considered payable are not actively enforced for collection, nor is any mechanism provided for payment. Moreover, the existing PRC Tax Rules and practices may be changed or amended in the future, e.g.: the PRC government may abolish temporary tax incentives that are currently offered to foreign investors, and they may be changed with retrospective effect and could be applied along with penalties and / or late payment interest. Such new PRC Tax Rules may operate to the advantage or disadvantage of the investors.

Tax provisions could be made for the sub-funds. Investors should be aware that the net asset value of the sub-funds on any Valuation Day may not accurately reflect Chinese tax liabilities. Depending on the tax liabilities payable, it may bring positive or negative impact to the performance and net asset value of the sub-funds. In the event penalties or late payment interest could be applicable due factors such as retrospective amendments, changes in practice or uncertain regulations, this could impact the net asset value at the time of settlement with the PRC tax authorities. In the case where the amount of tax provisions made is less than the tax liabilities payable, the amount of shortfall will be deducted from the sub-fund's assets and affecting the sub-fund's net asset value adversely. In the opposite case where the amount of tax provisions made is more than the tax liabilities payable, the release of extra tax provision will affect the sub-fund's net asset value positively. This will only benefit existing investors. Investors who have redeemed their Shares before the tax liabilities amount is determined will not be entitled to any part of such release of extra tax provision.

#### **Risk related to Direct CIBM Access**

The regulations which regulate investments into CIBM by Direct CIBM Access are relatively new. The application and interpretation of the regulations are therefore relatively untested and there is uncertainty as to how they will be applied.

There is no assurance that future regulatory actions will not affect sub-funds' eligibility to invest into CIBM. The eligibility is subject to review from time to time and may be removed substantially or entirely. In extreme circumstances, a sub-fund may no longer be able to invest into CIBM or may be required to dispose of its investments in CIBM due to regulation change, which could have an adverse effect on its performance or result in a significant loss due to limited investment capabilities, or may not be able to fully implement or pursue its investment objectives or strategy.

Investors should also note that investments in CIBM through Direct CIBM Access are subject to compliance with various cross-border capital restrictions currently imposed under regulations, as amended from time to time, which will affect the ability of the sub-fund to make investments and/or repatriate monies in CIBM. For example, a sub-fund may invest in the CIBM either in RMB or in foreign currency. If the capital needs to be repatriated out of China, it can be remitted either in RMB or in foreign currency upon conversion onshore, but the ratio of RMB to foreign currency ("Currency Ratio") shall generally match the original Currency Ratio when the investment principal was remitted into China, with a maximum permissible deviation of 10%. Such ratio requirement can be waived for the first repatriation of each sub-fund, provided that the foreign currency or RMB capital to be repatriated may not exceed 110% of the FX or RMB amount remitted into China in aggregate.



**HONG KONG COVERING DOCUMENT AND  
INFORMATION FOR HONG KONG INVESTORS**

**PARVEST**

Société d'investissement à capital variable or “SICAV”

An open-ended investment company  
incorporated under Luxembourg law

## **IMPORTANT**

This document forms part of and should be read in the context of and together with the Prospectus dated November 2016 as supplemented from time to time (the “Prospectus”). Investors should refer to the Prospectus for full information and terms defined therein have the same meaning in this document unless otherwise defined herein.

If you are in doubt about the contents of the Prospectus, this document or any of the Product Key Facts Statements of the sub-funds (“KFS”) (collectively, the “Hong Kong Offering Documents”), you should consult your stockbroker, bank manager, accountant, solicitor or other independent financial adviser.

The Board of Directors of PARVEST (the “Company”) accepts responsibility for the accuracy of the information contained in the Prospectus, this document and the KFS of the sub-funds on the date of publication.

Warning: In relation to the sub-funds set out in the Prospectus, only the following sub-funds are authorised by the Securities & Futures Commission (the “SFC”) pursuant to section 104 of the Securities and Futures Ordinance (the “SFO”) and hence may be offered to the public of Hong Kong (each a “Sub-fund and collectively the “Sub-funds”):

PARVEST Bond Asia ex-Japan	PARVEST Equity India
PARVEST Bond Best Selection World Emerging	PARVEST Equity Indonesia
PARVEST Bond USD	PARVEST Equity Japan
PARVEST Bond USD Short Duration	PARVEST Equity Latin America
PARVEST Bond World	PARVEST Equity Russia
PARVEST Bond World Emerging Local	PARVEST Equity Russia Opportunities
PARVEST Bond World Inflation-Linked	PARVEST Equity USA Growth
PARVEST Bond World High Yield	PARVEST Equity USA Mid Cap
PARVEST Convertible Bond Asia	PARVEST Equity World Consumer Durables
PARVEST Convertible Bond World	PARVEST Equity World Emerging
PARVEST Equity Best Selection Asia ex-Japan	PARVEST Equity World Energy
PARVEST Equity Best Selection Euro	PARVEST Equity World Finance
PARVEST Equity Best Selection Europe	PARVEST Equity World Health Care
PARVEST Equity Brazil	PARVEST Equity World Low Volatility
PARVEST Equity China	PARVEST Equity World Materials
PARVEST Equity Europe Emerging	PARVEST Equity World Technology
PARVEST Equity Europe Growth	PARVEST Equity World Utilities
PARVEST Equity Europe Mid Cap	PARVEST Green Tigers
PARVEST Equity Europe Small Cap	PARVEST Real Estate Securities Pacific
PARVEST Sustainable Equity High Dividend Europe	PARVEST Real Estate Securities World
PARVEST Equity High Dividend Pacific	PARVEST Multi-Asset Income Emerging
PARVEST Equity High Dividend USA	

Please note that the Prospectus is a global offering document and therefore also contains information of the following funds which are not authorised by the SFC:

- PARVEST Aqua
- PARVEST Bond Absolute Return V350
- PARVEST Bond Absolute Return V700
- PARVEST Bond Euro
- PARVEST Bond Euro Corporate
- PARVEST Bond Euro Government
- PARVEST Bond Euro High Yield

- PARVEST Bond Euro Inflation-Linked
- PARVEST Bond Euro Long Term
- PARVEST Bond Euro Medium Term
- PARVEST Bond Euro Short Term
- PARVEST Bond Euro Short Term Corporate
- PARVEST Bond Europe Emerging
- PARVEST Bond JPY
- PARVEST Bond RMB
- PARVEST Bond USA High Yield
- PARVEST Bond World Emerging
- PARVEST Bond World High Yield Short Duration
- PARVEST Bond World Income
- PARVEST Bond World Plus
- PARVEST Climate Impact
- PARVEST Commodities
- PARVEST Convertible Bond Europe
- PARVEST Convertible Bond Europe Small Cap
- PARVEST Covered Bond Euro
- PARVEST Cross Asset Absolute Return
- PARVEST Diversified Dynamic
- PARVEST Enhanced Cash 6 Months
- PARVEST Equity Africa
- PARVEST Equity Asia ex-Japan Small Cap
- PARVEST Equity Asia Pacific ex-Japan
- PARVEST Equity Australia
- PARVEST Equity Best Selection Europe ex-UK
- PARVEST Equity Best Selection World
- PARVEST Equity Europe Guru
- PARVEST Equity Europe Value
- PARVEST Equity Germany
- PARVEST Equity High Dividend World
- PARVEST Equity Japan Small Cap
- PARVEST Equity New Frontiers
- PARVEST Equity Nordic Small Cap
- PARVEST Equity South Korea
- PARVEST Equity Turkey
- PARVEST Equity USA
- PARVEST Equity USA Small Cap
- PARVEST Equity USA Value
- PARVEST Equity USA Value DEFI
- PARVEST Equity US Guru
- PARVEST Equity World Emerging Low Volatility
- PARVEST Equity World Emerging Small Cap
- PARVEST Equity World Guru
- PARVEST Equity World Infrastructure
- PARVEST Equity World Telecom
- PARVEST Flexible Bond Euro
- PARVEST Flexible Bond Europe Corporate
- PARVEST Flexible Equity Europe
- PARVEST Flexible Multi-Asset
- PARVEST Global Environment
- PARVEST Human Development
- PARVEST Money Market Euro
- PARVEST Money Market USD

- PARVEST Multi-Asset Income
- PARVEST Multi-Asset Income China
- PARVEST Multi-Strategy Low Vol
- PARVEST Real Estate Securities Europe
- PARVEST SMaRT Food
- PARVEST STEP 90 Euro
- PARVEST Sustainable Bond Euro
- PARVEST Sustainable Bond Euro Corporate
- PARVEST Sustainable Bond World Corporate
- PARVEST Sustainable Equity Europe
- PARVEST Sustainable Equity USA

No offer shall be made to the public of Hong Kong in respect of the above unauthorised sub-funds. The issue of the Prospectus was authorised by the SFC only in relation to the offer of the above SFC-authorised sub-funds to the public of Hong Kong. Intermediaries should take note of this restriction.

SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

The SFC does not take any responsibility as to the accuracy of the statements made or opinion expressed in the Prospectus, this document or any of the KFS.

### **Matters for Clarification, Additional Information and Risk Factors**

#### *Matters for Clarification*

“Other similar securities” mentioned in the Prospectus generally refers to instruments which have similar underlying exposures and features, which are part of the same group of assets targeted to implement the investment objectives, although they might have different dynamics. For instance, similar securities for equity (i.e. equity equivalent securities) could be participation rights (which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) while similar securities for bonds could be floaters.

“Regulated market” means a market regulated by government appointed bodies to control trades and ensure that fair services are offered to customers.

#### *Foreign Account Tax Compliance Act (“FATCA”)*

Investors should refer to the disclosures mentioned in the “US Tax” sub-section under the section “Tax Provisions” in Book I of the Prospectus for the information about FATCA. To clarify, “income from such US investments” mentioned therein includes “interests and dividends”.

In addition, investors should note that the Company has already been registered with the United States Internal Revenue Service as a “Registered Foreign Financial Institution” and its GIIN (Global Intermediary Identification Number) is LNY7ZM.99999.SL.442.

Investors should be aware that although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the units held by unitholders may

suffer material loss. All prospective investors/ unitholders should consult with their own tax advisors regarding the possible implications of FATCA on an investment in the sub-fund.

### *Additional Information*

#### *Investor type profile*

The information contained in the "Investor type profile" section in the Prospectus for each of the Sub-funds is provided for reference only. Before making any investment decisions, investors should consider their own specific circumstances, including, without limitation, their own risk tolerance level, financial circumstances, and investment objectives. If in doubt, investors should consult their stockbrokers, bank managers, Solicitors, accountants, representative banks or other financial advisers.

#### *Investments in below investment grade and/or unrated sovereign debts*

The following sub-funds do not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.

- PARVEST Bond USD
- PARVEST Bond USD Short Duration
- PARVEST Bond World
- PARVEST Bond World Inflation-Linked
- PARVEST Bond World High Yield
- PARVEST Convertible Bond World
- PARVEST Convertible Bond Asia
- PARVEST Equity Best Selection Asia ex-Japan
- PARVEST Equity Best Selection Euro
- PARVEST Equity Best Selection Europe
- PARVEST Equity Brazil
- PARVEST Equity China
- PARVEST Equity Europe Emerging
- PARVEST Equity Europe Growth
- PARVEST Equity Europe Mid Cap
- PARVEST Equity Europe Small Cap
- PARVEST Sustainable Equity High Dividend Europe
- PARVEST Equity High Dividend Pacific
- PARVEST Equity High Dividend USA
- PARVEST Equity India
- PARVEST Equity Indonesia
- PARVEST Equity Japan
- PARVEST Equity Latin America
- PARVEST Equity Russia
- PARVEST Equity Russia Opportunities
- PARVEST Equity USA Mid Cap
- PARVEST Equity USA Growth
- PARVEST Equity World Low Volatility
- PARVEST Equity World Consumer Durables
- PARVEST Equity World Energy
- PARVEST Equity World Emerging
- PARVEST Equity World Finance
- PARVEST Equity World Health Care

- PARVEST Equity World Materials
- PARVEST Equity World Technology
- PARVEST Equity World Utilities
- PARVEST Green Tigers
- PARVEST Real Estate Securities Pacific
- PARVEST Real Estate Securities World
- PARVEST Multi-Asset Income Emerging

Concerning investments in Real Estate Investments Trusts of PARVEST Real Estate Securities Pacific and PARVEST Real Estate Securities World

Investors should note that insofar as the sub-funds directly invest in real estate investment trusts, any dividend policy or dividend payout at the sub-funds level may not be representative of the dividend policy or dividend payout of the relevant underlying real estate investments trusts. Hong Kong investors should also note that the relevant underlying real estate investments trusts may not necessarily be authorised by the SFC in Hong Kong.

Concerning PARVEST Sustainable Equity High Dividend Europe, PARVEST Equity High Dividend Pacific and PARVEST Equity High Dividend USA

The general meeting of shareholders holding distribution shares of the sub-funds decides each year on the Board of Director's proposal to pay a dividend. As such, there is no guarantee of dividend or distribution payments during the period you hold shares of the sub-funds.

Concerning investment in China

Please refer to the table below for PARVEST sub-funds that may invest in mainland China equity and/or debt securities (via both direct and indirect investments) and the relevant exposure limit.

Sub-fund	Exposure limit of asset of the sub-fund
PARVEST Equity Best Selection Asia ex-Japan	25%
PARVEST Equity High Dividend Pacific	25%
PARVEST Equity World Emerging	25%
PARVEST Green Tigers	25%
PARVEST Convertible Bond Asia	30%
PARVEST Convertible Bond World	30%
PARVEST Equity China	70%
PARVEST Multi-Asset Income Emerging	10%

Mainland China equity and debt securities refer to securities traded in People's Republic of China included but not limited to China A Shares (Shares listed in CNY in the Shanghai or Shenzhen stock exchanges), China B Shares (Shares listed in foreign currencies in the Shanghai or Shenzhen stock exchanges and reserved to foreign investors) and/or any other equity and debt securities issued or settled in CNY and/or Participatory Notes linked to those securities. China H shares (Shares listed in HKD in the HK stock exchanges) are not concerned.

Please note that currently only PARVEST Equity China would use Renminbi Qualified Foreign Institutional Investor program ("RQFII") for direct investments in mainland China securities.

Investors should refer to the section "Sub-fund Specific Risk Factors" of this document and "Appendix 3 – Investment Risks" of Book I of the Luxembourg Prospectus for the risk factors.

Concerning PARVEST Equity Russia and PARVEST Equity World Low Volatility

PARVEST Equity Russia and PARVEST Equity World Low Volatility will not use expanded investment powers under UCITS (meaning PARVEST Equity Russia and PARVEST Equity World Low Volatility will use financial derivative instruments for hedging purpose only). Prior approval will be sought from the SFC and at least one-month's prior notice will be given to Hong Kong shareholders if PARVEST Equity Russia and PARVEST Equity Low Volatility intends to use financial derivative instruments for more than hedging purpose only in future and the Hong Kong Offering Document will be amended accordingly.

Concerning investments in the shares or units of UCITS or other UCIs

The sub-funds may invest in the shares or units of UCITS or UCIs within a limit of 10% of the net assets of each sub-fund concerned.

Where a sub-fund invests in the units or shares of other UCITS or UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, the sub-fund will not incur any subscription or redemption fee or management fee for the units or shares of these underlying assets.

A sub-fund will not acquire units or shares of other UCITS or UCI managed by another management company or by a company with which the management company is not linked having a management fee exceeding 3% per annum.

Advisory fee

PARVEST Equity High Dividend USA and PARVEST Equity USA Mid Cap are managed by a non-BNP Paribas group investment manager, which is selected by FundQuest. As such, the sub-fund is subject to an advisory fee of up to 0.15% per annum, being payable by the sub-fund to FundQuest as a remuneration to FundQuest for providing such service. The advisory fee is calculated based on the sub-fund's monthly average asset under management.

Closure of a sub-fund, category and /or class for subscription or conversion

As disclosed in the "SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES" subsection of "THE SHARES" section of the Prospectus, the Board of Directors may decide, in the interest of shareholders, to close a sub-fund, category and/or class for subscription or conversion in, under certain conditions and for the time it defines. Hong Kong investors will be informed of such decision as soon as practicable by way of a notice.

Redemptions

In the "SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES" subsection of "THE SHARES" section of the Prospectus, it is stated that in the event that the total net redemption/conversion applications received for a given sub-fund on a Valuation Day equals or exceeds 10% of the net assets of the sub-fund in question, the Board of Directors may decide to reduce and/or defer the redemption/conversion applications on a pro-rata basis so as to reduce the number of shares redeemed/converted on such valuation day to 10% of the net assets of the sub-fund concerned. In another word, the redemption/conversions out applications will be reduced to 10% as set by the Board of Directors for SFC authorised sub-funds of PARVEST, where the remaining portion of the application exceeding the limit will be automatically deferred to the following dealing day(s) on a pro-rata basis until the original size of the application is fully processed.

Enhanced Disclosure / Elaboration of the Sub-fund's Investment Policy

The Sub-fund's investment objective and investment policy are set out in Book II of the Prospectus. HK Investors can refer to the additional elaboration of the Investment Policy depicted in the table below for more details.

Sub-fund	Investment Objective	Further elaboration of the Investment Policy
PARVEST Bond Asia ex Japan	To increase the value of its assets over the medium term.	<p>The investment manager adopts a bottom up process in which a proprietary credit scoring model is utilized to ascertain the rating implied from the financial ratios calculated. This model combines both the quantitative (financial evaluation) as well as the qualitative and management aspects of the issuer.</p> <p>The sub-fund may invest in non-investment grade debt securities and/or unrated debt securities and sovereign debt securities.</p> <p>While the sub-fund is not an index tracking fund, the investment manager will, in general, make reference to the country/constituent weighting of the HSBC Asia Dollar Bond Index when making investment decisions. The investment manager will take an active management approach with flexibility to express bullish or bearish views, as well as to take potential advantage of investment opportunities based on market conditions, economic fundamentals, security valuations and potential positive re-ratings etc. through overweight or underweight each country.</p> <p><b>Hence, the sub-fund may invest more than 10% (but not more than 30%) of its net asset value in debt securities issued by and/or guaranteed by a single sovereign issuer which is below investment grade and/or unrated (for example Indonesia and Philippines).</b></p> <p>As of end of December 2015, the reference index (HSBC Asian Dollar Bond Index) comprised approximately 20% below investment grade and/or unrated bonds, in which the largest exposure is from Indonesia (approximately 11% of the reference index)</p>
PARVEST Bond Best Selection World Emerging	To increase the value of its assets over the medium term.	<p>This sub-fund invests at least 2/3 of its assets in a limited number of bonds and debt securities or other similar securities (such as floaters) issued by emerging countries throughout the world (defined as non Organisation for Economic Co-operation and Development countries prior to 1 January 1994 together with Turkey and Greece; examples of emerging countries include China, India, Indonesia, Korea, Chile, Hungary, Mexico and Poland etc.) or by companies characterised by a strong financial structure and/or potential for profitable growth that have their registered offices or conduct a majority of their business activities in these countries, as well as in financial derivative instruments on this type of asset.</p> <p>The investment manager will conduct company</p>



		<p>visits and perform on-the-ground due diligence actively and select the investments taken into consideration the fundamentals of the country and the sector, relative valuation versus the regional and global peers.</p> <p>The investment universe of the sub-fund is composed of around 40 – 50 securities normally but the number of securities can be increased or reduced depending on market conditions/opportunities.</p> <p>The sub-fund may invest in non-investment grade and/or unrated debt securities and sovereign debt securities.</p> <p>While the sub-fund is not an index tracking fund, the investment manager will, in general, make reference to the country/constituent weighting of the JPM EMBI Global Composite Gross Return Index when making investment decisions. The investment manager will take an active management approach with flexibility to express bullish or bearish views, as well as to take potential advantage of investment opportunities based on market conditions, economic fundamentals, security valuations and potential positive re-ratings etc. through overweight or underweight each country.</p> <p><b>Hence, the sub-fund may invest more than 10% (but no more than 30%) of its net asset value in debt securities issued by and/or guaranteed by a single sovereign issuer which is below investment grade and/or unrated (for example Venezuela).</b></p> <p>As of end of December 2015, the reference index comprised approximately 31% below investment grade and/or unrated sovereign debts. The largest exposure is Mexico (7.65% of the reference index).</p>
PARVEST Bond USD	To increase the value of its assets over the medium term.	<p>The investment manager will select investments for the sub-fund based on criteria including but not limited to credit rating and/or duration with investments mainly in investment grade debt securities. The sub-fund should always have an investment grade average credit quality while having a maximum allocation of 20% to non investment grade/unrated debt securities.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated. For the avoidance of doubt, investors should note that after hedging, the sub-fund's exposure to currencies other than the USD will not exceed 5% of its net asset value.</p>

PARVEST Bond World	To increase the value of its assets over the medium term.	<p>The investment manager does not manage the sub-fund towards a targeted duration but does actively manage its positions relative to its benchmark index.</p> <p>The sub-fund is managed in a diversified manner such that at least 2/3 of assets are invested in investment grade bonds or other similar securities. The sub-fund may invest in Treasury debt securities or notes, sovereign government bonds, supranational bills &amp; notes, mortgage backed securities, corporate bonds, asset-backed securities, other structured debts and in financial derivatives on these types of assets, including currencies. These securities may be denominated in various currencies.</p> <p>The underlying securities of the sub-fund may change over time. In the event the ratings criteria on the sub-fund's investments are not met, the investment manager will rebalance the portfolio's composition to bring it back into compliance and the choice of the replacing securities will be made taking into account the best interests of investors and in the timeliest manner.</p> <p>The remaining 1/3 of assets may be invested in any other transferrable securities, money market instruments, financial derivatives or cash and up to 10% of the assets may be invested in collective investment schemes. In this regard, the sub-fund may invest in non-investment grade/unrated debt securities.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Bond World Inflation-Linked	To increase the value of its assets over the medium term.	<p>The sub-fund invests at least 2/3 of its assets in bonds indexed to inflation rates and/or securities treated as equivalent that are issued or guaranteed by a member state of the Organisation for Economic Co-operation and Development, denominated in any currency throughout the world, and also in financial derivative instruments on this type of asset.</p>
PARVEST Equity Best Selection Asia ex-Japan	To increase the value of its assets over the medium term.	<p>The investment manager will assess the quality of a company taking into account liquidity (trading volume, market cap etc), themes that will drive future returns</p> <p>The investment manager will aim to invest in companies with market capitalization of more than USD100M.</p> <p>The sub-fund will invest in a limited number of securities (about 40 – 60 companies) for which the investment manager has high conviction.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest</p>

		more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.
PARVEST Equity Best Selection Euro	To increase the value of its assets over the medium term.	<p>The sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities denominated or traded in euros issued by a limited number of companies that have their registered offices in one of the member states of the European Union (such as Germany, France, Luxembourg, Netherlands, and United Kingdom etc.). In selecting investments for the sub-fund, the investment manager will assess the quality of a company's financial structure (taking into account indicators like cash flow return on investment) and /or potential for earnings growth.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p> <p>The sub-fund does not currently intend to engage substantially in securities lending transactions. The sub-fund does not currently intend to engage in repurchase and reverse repurchase transactions or other similar over-the-counter transactions or to hold asset-backed securities and mortgaged backed securities. Should this policy change, prior SFC approval will be obtained and investors will be given at least one month's prior notice.</p>
PARVEST Equity Best Selection Europe	To increase the value of its assets over the medium term.	<p>The investment manager will assess the quality of a company's financial structure and/or potential for earnings growth; and select investments for the sub-fund taking into account indicators like cash flow return on investment; the positioning of the company within its industry structure and the dynamics of the industry. Other elements such as quality of management, ability to grow margin, exposure to the higher growth market, will also be considered.</p> <p>The sub-fund will invest in a limited number of securities of approximately 50 companies.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity China	To increase the value of its assets over the medium term.	The investment manager will select investments for the sub-fund which have strong cash flow returns of capital, good leadership, people, systems, processes and suppliers balance, as well as good quality of management.

		<p>For the avoidance of doubt, the sub-fund may invest in mainland China securities via both direct investments and indirect investments. Direct investments refer to the investments in mainland China securities via Renminbi Qualified Foreign Institutional Investor program (“RQFII”) and/or the Shanghai-Hong Kong Stock Connect program (“Stock Connect”), whereas indirect investments refer to investments in the mainland China securities using access products which are primarily participation notes (P-Notes) but may also be other similar securities and instruments linked to China A Shares, China B Shares and other equity and debt securities issued or settled in CNY. The respective maximum exposure of the aforementioned means will be as follows:</p> <table><tr><th>Means to invest in mainland China securities</th><th>Maximum Exposure (% of the Sub-fund’s NAV)</th></tr><tr><td>RQFII</td><td>30%</td></tr><tr><td>Stock Connect</td><td>70%</td></tr><tr><td>Indirect Investments primarily P-Notes</td><td>10%</td></tr></table> <p>The allocation between RQFII, Stock Connect and indirect investments will be determined by the portfolio manager taken into consideration the quota availability, eligibility of the underlying securities to RQFII and Stock Connect, and cost of trading.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>	Means to invest in mainland China securities	Maximum Exposure (% of the Sub-fund’s NAV)	RQFII	30%	Stock Connect	70%	Indirect Investments primarily P-Notes	10%
Means to invest in mainland China securities	Maximum Exposure (% of the Sub-fund’s NAV)									
RQFII	30%									
Stock Connect	70%									
Indirect Investments primarily P-Notes	10%									
PARVEST Equity Europe Emerging	To increase the value of its assets over the medium term.	<p>The investment manager will select investments for the sub-fund taking into account the market capitalization (and will mainly invest in companies with market capitalization of more than USD200M) as well as the average daily liquidity of the companies.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>								
PARVEST Equity Europe Small Cap	To increase the value of its assets over the medium term.	<p>The sub-fund will at all times invest at least 75% of the assets in equities issued by companies that have their registered office in a member country of the EEA, i.e. European Economic Area (such as Germany, France, Luxembourg, Netherlands, and United Kingdom etc.).</p> <p>The sub-fund may invest in sovereign debt</p>								

		<p>securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p> <p>The sub-fund does not currently intend to engage substantially in securities lending transactions. The sub-fund does not currently intend to engage in repurchase and reverse repurchase transactions or other similar over-the-counter transactions or to hold asset-backed securities and mortgaged backed securities. Should this policy change, prior SFC approval will be obtained and investors will be given at least one month's prior notice.</p>
PARVEST Equity Russia	To increase the value of its assets over the medium term.	<p>The investment manager adopts a bottom up fundamental research and will select investments for the sub-fund taking into account the level of conviction of the investment manager, estimation of upside potential and downside risk, strategy and market liquidity.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity USA Growth	To increase the value of its assets over the medium term.	<p>The investment manager will select investments for the sub-fund which have an aim to create shareholder value. The selection model will focus on valuation, quality and momentum characteristics. A fundamental company research will also be conducted to assess a company's earnings prospects.</p> <p>The investment manager will study the company's management, business plan, competitive positioning, product pipeline etc. in order to assess whether a company will be able to grow its earnings more consistently and rapidly than the peers.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Consumer Durables	To increase the value of its assets over the medium term.	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) issued by companies throughout the world that conduct the majority of their business activities in the sectors of durable consumer goods, leisure and media, and in related or connected sectors.</p> <p>The investment manager will select investments</p>

		<p>for the sub-fund which have an aim to create shareholder value. The selection model will focus on valuation, quality and momentum characteristics. A fundamental company research will also be conducted to assess a company's earnings prospects.</p> <p>Consumer durables involve any type of products purchased by consumers that are manufactured for long-term use. There are also consumer goods and technology products which can be categorized as consumer durables which the sub-fund will consider for investments. Examples of investments which the sub-fund will consider include technology companies that have a large consumer component to them as well as industrial conglomerates that produce household appliances.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Energy	To increase the value of its assets over the medium term.	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) issued by companies throughout the world that conduct the majority of their business activities in the energy sector and in related or connected sectors.</p> <p>The investment manager will select investments for the sub-fund which have an aim to create shareholder value. The selection model will focus on valuation, quality and momentum characteristics. A fundamental company research will also be conducted to assess a company's earnings prospects.</p> <p>There are companies that have a strong energy component to them in other sectors that the sub-fund will also consider for investment, such as the industrial, consumer durables and technology sectors. These could include stocks that are not categorised as energy stocks by MSCI. For examples, capital goods companies that are involved in drilling, exploration and oilfield service.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Low Volatility	To increase the value of its assets over the medium term by investing in shares issued by companies from	The investment manager will rely on a quantitative model and follow a risk-optimisation process when constructing the portfolio based on a proprietary risk model.

	all over the world and selected through a process aimed at reducing risk by minimising volatility in the sub-fund.	<p>On a monthly basis, the investment manager selects stocks which have displayed the lowest volatility out of the MSCI World index. Stock selection is made across all sectors. A portfolio optimisation is used to determine the specific weightings of each selected stock in order to minimise the tracking error vs. the MSCI World index. The portfolio is rebalanced on a monthly basis.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Green Tigers	To increase the value of its assets over the medium term.	<p>The sub-fund invests primarily in shares or other similar securities of companies in Asia (including China, Hong Kong, India, Korea, Philippines, Malaysia, Indonesia, Taiwan, Thailand and Singapore etc.) whose technologies, products and services bring sustainable development solutions to environmental problems</p> <p>It is unlikely that the sub-fund will invest in debt securities. Even if so, the sub-fund will invest in investment grade debt securities.</p>
PARVEST Real Estate Securities World	To increase the value of its assets over the medium term.	<p>This sub-fund invests at least 2/3 of its assets either in securities or in shares and other securities (including P-notes) issued by real estate companies or companies operating in the real estate sector throughout the world and in financial derivative instruments on this type of asset and in any other financial instruments representing real estate (such as subscription rights).</p> <p>The investment manager follows an investment selection process which comprises four areas, namely top-down, bottom-up, investment themes and risk management. The investment manager aims to invest in companies that have a significant exposure to real estate activities while offering indirect exposure to real estate market.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p> <p>For the avoidance of doubt, investors should note the following:</p> <ul style="list-style-type: none"> <li>• “Real estate certificates” mean floating rate debt securities based on net income connected with real estate investments. This type of products may be listed on stock exchange.</li> <li>• Example of “Other financial instruments representing real estate” are subscription rights.</li> </ul>
PARVEST Bond World Emerging Local	To increase the value of its assets over the medium term.	<p>This sub-fund invests at least 2/3 of its assets in bonds and debt securities or other similar securities (such as floaters) issued by emerging countries</p>

		<p>throughout the world (defined as non Organisation for Economic Co-operation and Development countries prior to 1 January 1994 together with Turkey and Greece; examples of emerging countries include China, India, Indonesia, Korea, Chile, Hungary, Mexico, Africa and Poland etc.) or by companies that have their registered offices or conduct a majority of their business activities in these countries, and will try to take advantage of the currency fluctuations in these countries and in financial derivative instruments on this type of asset (i.e. bonds and debt securities or other similar securities as described in this paragraph).</p> <p>The investment manager will conduct company visits and perform on-the-ground due diligence actively and select the investments taken into consideration the fundamentals of the country and the sector, relative valuation versus the regional and global peers.</p> <p>The sub-fund may invest in non-investment grade and/or unrated debt securities and sovereign debt securities.</p> <p>For the avoidance of doubt, investors should note the following:</p> <ul style="list-style-type: none"> <li>• “financial derivative instruments on this type of asset” mentioned in the 1<sup>st</sup> paragraph of the investment policy in the Prospectus mean that financial derivative instruments, the underlying of which are bonds and debt securities or other similar securities as described in the same paragraph.</li> <li>• The sub-fund’s investments per country will be limited to 25% of its net asset value</li> <li>• “hard currency” mentioned in the Prospectus means stable and convertible currencies such as EURO, US dollars or Japanese Yen.</li> <li>• The sub-fund will enter into transactions for hedging purpose. Futures on developed market securities (such as US Treasury debt securities) can be invested to hedge the exposure to emerging market debt (USD denominated).</li> </ul> <p>While the sub-fund is not an index tracking fund, the investment manager will, in general, make reference to the country/constituent weighting of the JPMorgan GBI EM Global Diversified Return Index when making investment decisions. The investment manager will take an active management approach with flexibility to express bullish or bearish views, as well as to take potential advantage of investment opportunities based on market conditions, economic fundamentals, security valuations and potential positive re-ratings etc. through overweight or underweight each country.</p> <p><b>Hence, the sub-fund may invest more than 10% (but not more than 30%) of its net asset value in debt securities issued by and/or guaranteed by a</b></p>
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		<p><b>single sovereign issuer which is below investment grade and/or unrated (for example Hungary, Nigeria and Philippines).</b></p> <p>As of end of December 2015, the reference index comprised approximately 7% below investment grade and/or unrated sovereign debts. The largest exposure is Brazil (10.44% of the reference index).</p>
PARVEST Bond World High Yield	To increase the value of its assets over the medium term.	<p>The sub-fund invests at least 2/3 of its assets in bond or other similar securities that are rated below Baa3(Moody's) or BBB-(S&amp;P) (i.e. below investment grade). In case the underlying securities of the sub-fund may change which will result in the portfolio no longer satisfy this rating criteria, the investment manager will rebalance the portfolio (i.e. adjust the portfolio's composition) of the sub-fund and the choice of the replacing securities will be made taking into account the best interests of investors and in the timeliest manner.</p> <p>The sub-fund may also invest in unrated debt securities.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p> <p>For the avoidance of doubt, investors should note that after hedging, the sub-fund's exposure to currencies other than the EURO may not exceed 5% of its net asset value.</p>
PARVEST Convertible Bond World	To increase the value of its assets over the medium term.	<p>This sub-fund invests at least 2/3 of its assets in convertible or similar bonds whose underlying shares are issued by companies throughout the world and in financial derivative instruments on this type of asset.</p> <p>The investment manager will select investments for the sub-fund based on the fundamental value of the share of the underlying company when a bond is more sensitive to equities; and will focus more on the credit metrics of a company when the bond is more sensitive to spread.</p> <p>The sub-fund may invest in non-investment grade and/or unrated debt securities. The sub-fund does not normally invest in sovereign debt securities. Even if it invests in sovereign debt securities, it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p> <p>In order to achieve a balance between the debt character of convertible bonds and their dependence on their respective underlying share, the investment manager seeks to build a portfolio which is more sensitive when the underlying stock price rises and less sensitive when the underlying stock price decreases.</p>

		For the avoidance of doubt, investors should note that after hedging, the sub-fund's exposure to currencies other than USD may not exceed 25% of its net asset value.
PARVEST Equity Europe Growth	To increase the value of its assets over the medium term.	<p>The investment manager will assess if a company has greater-than-average potential for growth and/or relatively stable growth in profits taking into account elements such as the quality of the management, the position within the industry, ability to grow margin, exposure to higher growth market.</p> <p>The sub-fund will not invest in European countries which have not signed treaties on fight against fraud and tax evasion.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity High Dividend Pacific	To increase the value of its assets over the medium term.	<p>The investment manager will assess whether a company has dividend return greater than the market average of the dividends of companies in the Pacific region by analysing the historical dividend yield of the company.</p> <p>For the avoidance of doubt, investors should note that the Pacific region mentioned in the investment policy of the Prospectus means the Asia Pacific region, which includes but is not limited to Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan and Thailand.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity High Dividend USA	To increase the value of its assets over the medium term.	<p>The investment manager will assess whether a company has dividend return greater than the market average of the dividends of companies in the United States of America by analysing the historical dividend yield of the company.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>

PARVEST Equity India	To increase the value of its assets over the medium term.	<p>The investment manager will select investments for the sub-fund based on liquidity criteria and fundamental criteria such as earnings, management quality, valuation and long-term growth prospects.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity Indonesia	To increase the value of its assets over the medium term.	<p>The investment manager will select investments for the sub-fund based on liquidity criteria and fundamental criteria such as earnings, management quality, valuation and long-term growth prospects.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Emerging	To increase the value of its assets over the medium term.	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) issued by companies that have their registered offices or conduct the majority of their business activities in emerging countries throughout the world (defined as non Organisation for Economic Co-operation and Development countries prior to 1 January 1994 together with Turkey and Greece; examples of emerging countries include China, India, Indonesia, Korea, Chile, Hungary, Mexico and Poland etc.).</p> <p>The investment manager will select investments for the sub-fund based on liquidity criteria and fundamental criteria such as earnings, management quality, valuation and long-term growth prospects.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Real Estate Securities Pacific	To increase the value of its assets over the medium term.	<p>The investment manager follows an investment selection process which comprises four areas, namely top-down, bottom-up, investment themes and risk management. The investment manager aims to invest in companies that have a significant exposure to real estate activities while offering indirect exposure to real estate market.</p> <p>For the avoidance of doubt, investors should note the following:</p> <ul style="list-style-type: none"> <li>• Pacific region mentioned in the investment policy of the Prospectus means the Asia Pacific region, which include but is not limited to</li> </ul>

		<p>Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan and Thailand.</p> <ul style="list-style-type: none"> <li>• “Real estate certificates” mean floating rate debt securities based on net income connected with real estate investments. This type of products may be listed on stock exchange.</li> <li>• Example of “Other financial instruments representing real estate” are subscription rights.</li> </ul> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Finance	To increase the value of its assets over the medium term.	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) issued by companies throughout the world that conduct the majority of their business activities in the financial sector and in related or connected sectors.</p> <p>The investment manager will select investments for the sub-fund which have an aim to create shareholder value. The selection model will focus on valuation, quality and momentum characteristics. A fundamental company research will also be conducted to assess a company’s earnings prospects.</p> <p>There are companies that have a strong financial component to them in other sectors that the sub-fund will also consider for investment, such as the technology, industrials and consumer sectors. These could include stocks that are not categorised as financial stocks by MSCI, but have a strong financial component to them. For examples, several credit card companies are categorised as technology stocks. Likewise, there are diversified industrial conglomerates that have a large financial aspect.</p> <p>It is unlikely that the sub-fund will invest in debt securities. Even if so, the sub-fund will invest in investment grade debt securities. Moreover, the sub-fund does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Health Care	To increase the value of its assets over the medium term.	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) issued by companies throughout the world that conduct the majority of their</p>

		<p>business activities in the healthcare sector and in related or connected sectors.</p> <p>The investment manager will select investments for the sub-fund which have an aim to create shareholder value. The selection model will focus on valuation, quality and momentum characteristics. A fundamental company research will also be conducted to assess a company's earnings prospects.</p> <p>There are companies that have a strong health care component to them in other sectors that the sub-fund will also consider for investment, such as the technology and consumer sectors. These could include stocks that are not categorised as health care stocks by MSCI, but have a large exposure to the health care industry. For example, a technology company that has a medical device subsidiary or drug store that is categorised as a consumer retailer, but that has a large portion of its revenue that is tied to its pharmacy benefit management business.</p> <p>It is unlikely that the sub-fund will invest in debt securities. Even if so, the sub-fund will invest in investment grade debt securities. Moreover, the sub-fund does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Materials	To increase the value of its assets over the medium term.	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) issued by companies throughout the world that conduct the majority of their business activities in the materials sector (e.g. among others, in building and packaging materials, base chemicals, metals, forestry, paper etc.) and related or connected sectors.</p> <p>The investment manager will select investments for the sub-fund which have an aim to create shareholder value. The selection model will focus on valuation, quality and momentum characteristics. A fundamental company research will also be conducted to assess a company's earnings prospects.</p> <p>There are companies that have a strong materials component to them in other sectors that the sub-fund will also consider for investment, such as the technology, industrial and energy sectors. These could include stocks that are not categorised as materials by MSCI, but that have a strong component of their business tied to the global materials industry. For examples, industrial companies that produce construction equipment used in the mining business.</p> <p>It is unlikely that the sub-fund will invest in debt</p>

		<p>securities. Even if so, the sub-fund will invest in investment grade debt securities. Moreover, the sub-fund does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Technology	To increase the value of its assets over the medium term.	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) issued by companies throughout the world that conduct a majority of their business activities in the technology sector and in related or connected sectors.</p> <p>The investment manager will select investments for the sub-fund which have an aim to create shareholder value. The selection model will focus on valuation, quality and momentum characteristics. A fundamental company research will also be conducted to assess a company's earnings prospects.</p> <p>There are companies that have a strong technology component to them in other sectors that the sub-fund will also consider for investment, such as the industrial and consumer sectors. For example, companies from consumer sector have a significant business through its smartphone application.</p> <p>It is unlikely that the sub-fund will invest in debt securities. Even if so, the sub-fund will invest in investment grade debt securities. Moreover, the sub-fund does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p>
PARVEST Equity World Utilities	To increase the value of its assets over the medium term.	<p>At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities (such as participation rights which refer to equity instruments like bonus right and/or subscription rights (which may result from a corporate action)) issued by companies throughout the world that conduct the majority of their business activities in the local authorities services sector and in related or connected sectors. For the avoidance of doubt, "local authorities services sector" mentioned above means the utilities sector.</p> <p>The investment manager will select investments for the sub-fund which have an aim to create shareholder value. The selection model will focus on valuation, quality and momentum characteristics. A fundamental company research will also be conducted to assess a company's earnings prospects.</p> <p>There are companies that have a strong utility component to them in other sectors that the sub-fund will also consider for investment, such as</p>

		<p>the energy sector. These could include stocks that are not categorised as utilities by MSCI, but are tied to the utilities sector. For example, coal producer (coal being one primary power source for electrical utilities).</p> <p>It is unlikely that the sub-fund will invest in debt securities. Even if so, the sub-fund will invest in investment grade debt securities. Moreover, the sub-fund does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p> <p>For the avoidance of doubt, investors should note that “local authorities services sector” mentioned in the investment policy of the Prospectus means the utilities sector.</p>
PARVEST Multi-Asset Income Emerging	To increase the value of its assets over the medium-term for the Capitalization shares and provide regular income in the form of dividend and on a secondary basis, generate capital growth for Distribution shares.	<p>The sub-fund does not have requirement on the credit rating of the underlying debt securities and may invest up to 50% of its NAV in debt securities rated below investment grade by Standard &amp; Poor’s or the equivalent by Moody’s or Fitch or unrated securities. The sub-fund is not subject to any limitation on the portion of its NAV that may be invested in any one country or region.</p> <p>The sub-fund may invest in sovereign debt securities but it does not contemplate to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated.</p> <p>In respect of the above investments limits, the sub-fund’s overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 10% of its assets by investments in (i) “China A-Shares” via the Stock Connect, (ii) P-notes and (iii) debt securities traded on the China Interbank Bond market.</p> <p>Under exceptional circumstances, (e.g. market crash or major crisis), the sub-fund may be invested temporarily up to 80% in liquid assets such as money market instruments, bank deposits, certificate of deposit, commercial paper and treasury bills for cash flow management.</p> <p>The asset allocation of the sub-fund will change according to the investment manager’s views of fundamental economic and market conditions and investment trends across the globe, taking into consideration factors such as liquidity, costs, timing of execution, relative attractiveness of individual securities and issuers available in the market.</p> <p>The sub-fund will use Financial Derivative Instruments (the “FDI”) for hedging purposes and efficient portfolio management. However, the sub-fund will not use FDI extensively or primarily</p>

		<p>for investment purposes.</p> <p>The sub-fund does not currently intend to (i) enter into securities lending, repurchase and reverse repurchase transactions or other similar over-the-counter transactions.</p>
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*Risk applicable for all Sub-funds*

*Risk of Investments*

Funds can help diversify your investment but may not protect your investment from the impact of wider economic issues. Before investing in the Company and/or any Sub-fund, potential investors should consider the risks involved. Investors are referred to Appendix 3 of the Prospectus (headed “INVESTMENT RISKS”) for risks associated with each sub-fund. Neither the Board of Directors, the Management Company, nor the portfolio managers / the investment advisors guarantee the performance of the Company and/or any Sub-fund or the repayment of capital from the Company and/or any Sub-fund. When investing in a Sub-fund, there is a risk that the final outcome may deviate from the initial expectations. The Sub-fund’s investment portfolio may fall in value and therefore may suffer losses. Prospective investors should be aware that the price of shares in the relevant Sub-fund and the income from it (if any) may go down as well as up. There is no assurance that the investment objectives of the relevant Sub-fund will be achieved.

*Risk in connection with paying dividend out of capital*

The management company may at its discretion pay dividends out of the capital of the Sub-funds. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Sub-fund’s capital may result in an immediate reduction of the net asset value per share.

The distribution amount and NAV of the hedged share class may be adversely affected by differences in the interest rates of the reference currency of the hedged share class and the Sub-fund’s base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence further negative impact on capital than other non-hedged share classes.

*Early Termination Risk*

Investors should note that the sub-funds may be subject to early termination due to liquidation. Investors should refer to Appendix 4 headed “LIQUIDATION, MERGER, TRANSFER AND SPLITTING PROCEDURES” in the Prospectus for further information about the circumstances under which the Company or any sub-fund may be liquidated. In case of an early termination, investors may not be able to redeem their holdings in the sub-funds at or above the price that they have subscribed into the sub-funds and may be therefore subject to a loss of their investments.

*Currency Exchange Risk*

The sub-fund may hold assets denominated in currencies that differ from its reference currency, and may be affected by exchange rate fluctuations between the reference currency and the other currencies and by changes in exchange rate controls. If the currency in which a security is denominated appreciates in relation to the reference currency of the sub-fund, the exchange value of the security in the reference currency will appreciate; conversely, a depreciation of the denomination currency will lead to a depreciation in the exchange value of the security and



under such circumstances the sub-fund's value may be adversely affected and offset any positive return of the sub-fund. Investors may even suffer a significant loss as a result.

Certain share classes of the sub-fund may be denominated in a currency other than the reference currency of the sub-fund. Therefore changes in exchange rate may also affect the value of an investment in the sub-fund.

When the manager is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective.

#### *Use of Financial Derivative Instruments*

Investors should note in particular that each sub-fund, except PARVEST Equity Best Selection Euro, PARVEST Equity Europe Small Cap, PARVEST Equity Russia and PARVEST Equity World Low Volatility, may use financial derivative instruments (“**FDIs**”) extensively for investment purposes as well as for hedging purposes. No specific strategy relating to FDIs is adopted by the Management Company and the investment managers of the sub-fund(s).

PARVEST Equity Best Selection Euro and PARVEST Equity Europe Small Cap may use FDIs for investment and/or hedging purposes. However, the sub-funds will not use FDIs extensively for investment purpose.

PARVEST Equity Russia and PARVEST Equity World Low Volatility will use FDIs for hedging purpose only.

A general description of relevant FDI risks and a general description of associated counterparty risks are set out below. Investors should also refer to the Prospectus for further information relating to the below mentioned instruments. Hong Kong investors may also contact the Hong Kong Representative for further information regarding the risk management procedures employed by the relevant sub-fund(s).

#### *General description of FDI risk*

The relevant sub-fund(s) may from time to time utilise both exchange-traded and over-the-counter derivatives such as futures and options, swaps, ETP (i.e. exchange traded products) and derivative contracts as part of its investment policy and for hedging purposes. The relevant sub-fund(s)' ability to use derivatives may be limited by market conditions, regulatory limits and tax considerations. These instruments involve certain special risks and may expose investors to a high risk of loss. Should the use of financial derivative instruments be incorrect, ineffective or unsuccessful due to market conditions, the relevant sub-fund(s) may suffer a substantial loss, having an adverse effect on the net asset value of the relevant shares.

#### *Counterparty Risk*

Some transactions in FDIs by the sub-fund(s) may be entered into with counterparties on an off exchange basis, more commonly referred to as over the counter (OTC) transactions. It should be noted that all OTC transactions expose the investor to the credit risk of the counterparty. In the event that the counterparty to the transaction is unable to meet or otherwise defaults on its obligations (for example due to bankruptcy or other financial difficulties), the relevant sub-fund(s) may be exposed to significant losses greater than the cost of the FDI. The risk of default of the counterparty is directly linked to the creditworthiness of that counterparty. In respect of a default on a foreign exchange transaction, it is possible that the entire principal of a transaction could be lost in the event of a counterparty default.

Since the sub-fund(s) is UCITS IV compliant, the relevant sub-fund(s)' exposure to single individual counterparty may not exceed 10% of the relevant sub-fund(s)' FDI exposure on an aggregated basis. Counterparty risk may be further mitigated through the use of collateral agreements. However, collateral arrangement is still subject to the insolvency risk and credit risk of the issuers of the collateral. The Management Company ensures that a rigorous counterparty assessment and approval process is followed.

#### *Volatility Risk*

The relevant sub-fund(s) may invest in FDIs with different degree of volatility. The prices of derivative instruments, including futures and options prices, can be highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention is often intended to directly influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

#### *Valuation Risk*

Investors should note that the relevant sub-fund(s) may invest in FDIs which can be difficult to value and may entail increased market risk. Incorrect valuation or pricing of derivatives may occur as many derivatives are complex and frequently valued subjectively. Independent pricing information may not at times be available. Such investments could expose the relevant sub-fund(s) to losses greater than the cost of the FDI and may increase substantially the sub-fund(s)' volatility, compared with a corresponding sub-fund which only uses FDIs for hedging purposes.

#### *Leverage Risk*

The use of financial derivative instruments may lead to a leverage effect. Higher degree of leverage may be inherent in trading of derivatives (i. e. the loan margin deposits normally required in derivative trading means that the derivative trading may be highly leveraged). Accordingly, a relatively small price movement in derivatives may result in an immediate and substantial loss to the relevant sub-fund(s); and may result in greater fluctuations and volatility of the net asset value of the relevant sub-fund(s).

#### *Liquidity Risk*

The possible absence of a liquid market for any particular instrument at any particular time may inhibit the ability of the relevant sub-fund(s) to value and liquidate the derivatives at an advantageous price.

#### *Use of FDIs for hedging*

The success of the sub-fund's hedging strategy will depend, in part, upon the investment manager's ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged

In adverse situation, the sub-fund's use of financial derivative instruments may become ineffective in hedging and may result in losses to the sub-fund.

### *Other Risks*

The use of financial derivative instruments is subject to normal market fluctuations and may also involve other risks including:

1. dependence on the ability to accurately predict movements in the prices of the underlying securities and movements in interest rates;
2. imperfect correlation between the price movements in securities or currency on which the derivatives are based and price movements in the securities or currencies in relevant sub-fund(s);
3. possible impediments to effective portfolio management or the ability to meet redemptions or other short term obligation because a percentage of the asset of the relevant sub-fund(s) may be segregated to cover the obligations;
4. possible legal risks arising in relation to derivative contract documentation, particularly issues arising relating to enforceability of contracts and limitations thereto; and
5. settlement risk as when dealing with futures, forwards, swaps, contracts for differences the relevant sub-fund(s)' liability may be potentially unlimited until the position is closed.

A list of the FDI instruments most commonly used by the relevant sub-fund(s) and the additional risks involved are set out below:

#### **Foreign Exchange Risk:**

The sub-fund(s) may invest in assets denominated in currencies other than the Reference Currency of the sub-fund(s), and as such is said to be exposed to foreign exchange ("FX") risk. Any movement in the FX rate will lead to a change in the value of the asset denominated in that foreign currency.

The sub-fund(s) can enter into an offsetting FX forward or swap transaction in order to hedge this FX risk. This transaction is intended to minimise the risk of loss due to adverse currency movements, but it also limits any potential gain from positive currency movements. It is not always possible to completely hedge all FX risk, since the value of the hedged assets are subject to market movements between the time the hedging transaction is entered into and its maturity/settlement date.

FX transactions also involve settlement risk since the transactions typically do not take place on or through an exchange. The sub-fund(s) is therefore exposed to the credit risk of the counterparty to the transaction. If the sub-fund(s) has already transferred a currency amount for settlement prior to the delivery of the counter value, in the event of a counterparty default, the sub-fund(s) could lose the full amount of the transferred currency. The sub-fund(s) might also suffer an opportunity cost in the event that a counterparty who owes unrealised gains to the sub-fund(s) defaults.

#### **Interest Rate Swap Risk:**

An interest rate swap ("IRS") is a transaction between two parties who agree to exchange a stream of future interest payments or cashflows for another stream of payments, based on a specified principal amount. The sub-fund(s) may typically enter into an IRS to limit, or manage its exposure to fluctuations in interest rates. IRS investments expose the sub-fund(s) to interest rate risk.

Interest rate swaps involve the exchange of a fixed rate payment for a floating rate payment that is linked to interest rates. As the interest rate rises, the floating rate payment will increase in value, and as the interest rate falls it will decrease in value. The fixed rate cashflow will remain

fixed during both of these scenarios.

As with all over the counter derivatives, entering into an IRS exposes the buyer and seller to counterparty risk. The sub-fund(s) may suffer losses in the event of a default by the counterparty of its payment obligations under the transaction, where the counterparty owes unrealised gains to the sub-fund(s).

#### **Total Return Swap Risk:**

A total return swap (“TRS”) is a transaction between two parties who agree to exchange a set rate (fixed or variable) for payments based on the total return of an underlying asset, including income and any capital gains. The sub-fund(s) may typically enter into a TRS in order to buy protection against a loss in value of the reference asset or to gain exposure to a reference asset without having to own it, providing leverage for the sub-fund(s).

The total return receiver in a TRS transaction is exposed to the risk of a change in the market value of the reference asset. Interest rate risk can also be introduced when the TRS involves a floating rate payment. TRS investments may be illiquid and difficult to value.

As with all over the counter derivatives, entering into a TRS exposes the buyer and seller to counterparty risk. The sub-fund(s) may suffer losses in the event of a default by the counterparty of its payment obligations under the transaction, where the counterparty owes income payments and capital gains to the sub-fund(s).

#### **Credit Default Swap Risk:**

A credit default swap (“CDS”) is a transaction designed to transfer credit exposure of fixed income products between the buyer and seller. Typically the sub-fund(s) might purchase a CDS to protect against the risk of default of an underlying investment, known as the reference entity. To obtain that protection, the sub-fund(s) as buyer of a CDS will make regular payments to the seller. In return, the sub-fund(s) will receive a payment from the seller in the event that the reference entity goes into default. For example, the sub-fund(s) may be entitled to receive from the seller the face value of a bond in the event the bond issuer defaults on its coupon payments. Conversely, if the sub-fund(s) sells a CDS, it receives payment for effectively guaranteeing the creditworthiness of the reference entity to the buyer. The exact payments to be made and received, as well as the default conditions, known as credit events, are agreed and documented in advance between the buyer and seller.

As a seller of CDS, the sub-fund(s) will incur exposure to the creditworthiness of the reference entity as if it was actually owning that reference entity. Since the sub-fund(s) does not actually own the reference entity, however, it has no legal recourse to the reference entity.

As with all over the counter derivatives, a CDS exposes the buyer and seller to counterparty risk and the sub-fund(s) may suffer losses in the event of a default by the counterparty of its obligations under the transaction. There may also be disputes between the buyer and seller as to whether a credit event has occurred, which could mean the sub-fund(s) does not realize the full value of the CDS.

#### **Equity Default Swap Risk:**

An equity default swap (“EDS”) is a transaction between two parties in which one party agrees to make regular payments to the other, in return for the right to receive an agreed payment in the event of a material fall in the value of an agreed reference asset. Typically the sub-fund(s) might purchase an EDS to protect against the risk of a material fall in the value of the reference asset held within the sub-fund(s). The conditions on which the parties to the transaction agree a

payment will be made are known as trigger events. The sub-fund(s) may sell an EDS, accepting regular payments in return for the obligation to make a payment if a trigger event occurs.

As a seller of an EDS, the sub-fund(s) will incur exposure to fluctuation in value of the reference asset in much the same way as if it was actually owning that asset. Since the sub-fund(s) does not actually own the reference asset, however, it has no legal recourse to the issuer of the reference asset.

As with all over the counter derivatives, an EDS exposes the buyer and seller to counterparty risk and the sub-fund(s) may suffer losses in the event of a default by the counterparty of its obligations under the transaction. There may also be disputes between the buyer and seller as to whether a trigger event has occurred, which could mean the sub-fund(s) does not realize the full value of the EDS.

### **Contract For Difference Risk:**

A Contract for Difference (“CFD”) is a transaction between two parties in which one party agrees to pay to the other the difference between the current value of an asset and its value at an agreed contractual date. If the difference is negative, the seller will receive payment from the buyer.

CFD transactions are designed to replicate the economic performances and cashflows of a conventional share investment and are subject to the same risks applicable to the underlying asset. Like other over the counter derivatives, CFD transactions expose the buyer and seller to counterparty risk in the event of a default by the counterparty of its obligations under the transaction.

### **Structured Products Risk:**

Structured products are synthetic investment instruments specially created to meet specific needs that cannot be met from the standardized financial instruments available in the markets. Structured products can be used as an alternative to a direct investment; as part of the asset allocation process to reduce risk exposure of a portfolio; or to utilize the current market trend. A structured product is generally a pre-packaged investment strategy which is based on derivatives, such as a single security, a basket of securities, options, indices, commodities, debt issuances and/or foreign currencies, and to a lesser extent, swaps. An investor's investment return and the issuer's payment obligations are contingent on, or highly sensitive to, changes in the value of underlying assets, indices, interest rates or cash flows. It is possible that adverse movements in underlying asset valuations can lead to a loss of the entire principal of a transaction. Investors are also exposed to the credit risk of the issuer of the product.

### *Sub-fund Specific Risk Factors*

In addition to the above generic risks as well as those mentioned in Appendix 3 headed “INVESTMENT RISKS” of the Prospectus which are applicable to all Sub-funds and the specific risk factors mentioned under the “Risk Profile” in Book II of the Prospectus for each Sub-fund, investors should note that each Sub-fund is also subject to specific risk factors depending on its specific investments as depicted below.

<b>Sub-funds</b>	<b>Risk Factors</b>
PARVEST Bond Asia ex Japan	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> </ul>

	<ul style="list-style-type: none"> <li>• Risk in connection with investments in sovereign debt</li> </ul>
PARVEST Bond Best Selection World Emerging	<ul style="list-style-type: none"> <li>• Portfolio concentration risk</li> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities.</li> <li>• Risk in connection with investments in sovereign debt</li> </ul>
PARVEST Bond USD	<ul style="list-style-type: none"> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> <li>• Risk in connection with investments in sovereign debt</li> <li>• Risk in connection with transactions entered for hedging purpose</li> <li>• High leverage risk</li> <li>• Risk in connection with structured debt securities</li> </ul>
PARVEST Bond USD Short Duration	<ul style="list-style-type: none"> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> <li>• Risk in connection with investments in sovereign debt</li> <li>• High leverage risk</li> </ul>
PARVEST Bond World	<ul style="list-style-type: none"> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> <li>• Risk in connection with investments in sovereign debt</li> <li>• Currency Exchange Risk due significant exposure to currency positions</li> <li>• High leverage risk</li> </ul>
PARVEST Bond World Emerging Local	<ul style="list-style-type: none"> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> <li>• Risk in connection with investments in sovereign debt</li> <li>• Risk in connection with transactions entered for hedging purpose</li> </ul>
PARVEST Bond World High Yield	<ul style="list-style-type: none"> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> <li>• Risk in connection with investments in sovereign debt</li> <li>• Risk in connection with transactions entered for hedging purpose</li> </ul>
PARVEST Bond World Inflation-Linked	<ul style="list-style-type: none"> <li>• Risk in connection with investments in inflation-linked bonds</li> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> <li>• Risk in connection with investments in sovereign debt</li> <li>• High leverage risk</li> </ul>
PARVEST Convertible Bond Asia	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> </ul>

	<ul style="list-style-type: none"> <li>• Risk in connection with investments in sovereign debt</li> <li>• Risk related to investments in China</li> <li>• Access products risk</li> <li>• High leverage risk</li> </ul>
PARVEST Convertible Bond World	<ul style="list-style-type: none"> <li>• Risk in connection with investments in non-investment grade and/or unrated debt securities</li> <li>• Risk in connection with investments in sovereign debt</li> <li>• Risk in connection with transactions entered for hedging purpose</li> <li>• High leverage risk</li> <li>• Risk related to investments in China</li> <li>• Access products risk</li> </ul>
PARVEST Equity Best Selection Asia ex Japan	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Portfolio concentration risk</li> <li>• Changes in PRC taxation risk</li> <li>• Risks related to Stock Connect</li> </ul>
PARVEST Equity Best Selection Euro	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Portfolio concentration risk</li> <li>• Eurozone market risk</li> </ul>
PARVEST Equity Best Selection Europe	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Portfolio concentration risk</li> <li>• Eurozone market risk</li> </ul>
PARVEST Equity Brazil	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> </ul>
PARVEST Equity China	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Risk related to investments in China</li> <li>• Changes in PRC taxation risk</li> <li>• Risks related to RQFII investments</li> <li>• Risks related to Stock Connect</li> <li>• Access products risk</li> </ul>
PARVEST Equity Europe Emerging	<ul style="list-style-type: none"> <li>• Eurozone market risk</li> <li>• Geographical concentration risk</li> </ul>
PARVEST Equity Europe Growth	<ul style="list-style-type: none"> <li>• Eurozone market risk</li> <li>• Geographical concentration risk</li> </ul>
PARVEST Equity Europe Mid Cap	<ul style="list-style-type: none"> <li>• Risk in connection with investments in mid-cap companies</li> <li>• Geographical concentration risk</li> <li>• Eurozone market risk</li> </ul>
PARVEST Equity Europe Small Cap	<ul style="list-style-type: none"> <li>• Risk in connection with investments in small-cap companies</li> <li>• Geographical concentration risk</li> <li>• Eurozone market risk</li> </ul>
PARVEST Sustainable Equity High Dividend Europe	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Eurozone market risk</li> <li>• Asset class concentration risk</li> </ul>
PARVEST Equity High Dividend Pacific	<ul style="list-style-type: none"> <li>• Asset class concentration risk</li> <li>• Geographical concentration risk</li> <li>• Changes in PRC taxation risk</li> <li>• Risks related to Stock Connect</li> </ul>
PARVEST Equity High Dividend USA	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Asset class concentration risk</li> </ul>
PARVEST Equity World Low Volatility	<ul style="list-style-type: none"> <li>• Risk in connection with the investment strategy</li> </ul>
PARVEST Equity India	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Risk related to investments in India</li> </ul>

PARVEST Equity Indonesia	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Risk related to investments in Indonesia</li> </ul>
PARVEST Equity Japan	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> </ul>
PARVEST Equity Latin America	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> </ul>
PARVEST Equity Russia	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Risk related to investments in Russia</li> </ul>
PARVEST Equity Russia Opportunities	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Risk related to investments in Russia</li> </ul>
PARVEST Equity USA Mid Cap	<ul style="list-style-type: none"> <li>• Risk in connection with investments in mid-cap companies</li> <li>• Geographical concentration risk</li> </ul>
PARVEST Equity USA Growth	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> </ul>
PARVEST Equity World Consumer Durables	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> </ul>
PARVEST Equity World Energy	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> </ul>
PARVEST Equity World Emerging	<ul style="list-style-type: none"> <li>• Changes in PRC taxation risk</li> <li>• Risks related to Stock Connect</li> </ul>
PARVEST Equity World Finance	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> </ul>
PARVEST Equity World Health Care	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> </ul>
PARVEST Equity World Materials	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> </ul>
PARVEST Equity World Technology	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> </ul>
PARVEST Equity World Utilities	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> </ul>
PARVEST Green Tigers	<ul style="list-style-type: none"> <li>• Geographical concentration risk</li> <li>• Sector concentration risk</li> <li>• Changes in PRC taxation risk</li> <li>• Risks related to Stock Connect</li> </ul>
PARVEST Real Estate Securities Pacific	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> <li>• Geographical concentration risk</li> </ul>
PARVEST Real Estate Securities World	<ul style="list-style-type: none"> <li>• Sector concentration risk</li> </ul>
PARVEST Multi-Asset Income Emerging	<ul style="list-style-type: none"> <li>• Asset Allocation Risk</li> <li>• Risk in connection with investments in Non-Investment Grade and/or Unrated Debt Securities</li> <li>• Downgrading risk for investment grade debt securities</li> <li>• Risk in connection with the use of financial derivative instruments for hedging</li> <li>• Risk in connection with the use of financial derivative instruments for efficient portfolio management purpose</li> </ul>

### Portfolio Concentration Risk

The sub-fund will, whilst respecting diversification principle, invest in a limited number of securities which may result in greater volatility than funds investing in a larger number of securities.

### Geographical or Sector or Asset Class Concentration Risks

Investors should note that with regard to sub-funds that focus on investing in a single sector, geographical area or country, or asset class these sub-funds are highly specialised. Although the sub-funds' investment portfolios may be diversified in terms of the underlying investments, the relevant sub-funds are likely to be more volatile than funds which comprise broad-based global investments. They may be more susceptible to adverse fluctuations in value resulting from adverse conditions in the sectors or geographical areas or countries or asset classes in which the sub-funds invest and the sub-funds' value may be adversely affected.



### Risks related to investments in China

Investors are reminded to consider the “Specific Risks Related to Investment in Mainland China” as disclosed under “Appendix 3 – Investment Risks” of Book I of the Luxembourg Prospectus. In particular, part of the sub-funds’ investments are concentrated in China. Although the sub-funds’ investment portfolio may be diversified in terms of the underlying investments, the sub-funds are likely to be more volatile than funds which comprise broad-based global investments. They may be more susceptible to adverse fluctuations in value resulting from adverse conditions in China and the sub-funds’ value may be adversely affected.

Investing in securities market of China is subject to emerging market risks as well as China specific risks which may result in a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity, regulatory, accounting and reporting risk. The legal and regulatory framework in China is less developed. Generally, there is greater market volatility, lower trading volume, greater political and economic instability, greater settlement risk, greater risk of market shut down, more governmental limitations on foreign investment and more governmental control of currency conversion and future movements in exchange rate than those typically found in developed markets. The value of the sub-funds may be more volatile than a fund which diversifies across a larger number of investments.

#### *Market risk*

Potential investors are advised that such investments contain a high degree of risk due to the political and economic situation of the China market, which could affect the value of the investments.

#### *Currency fluctuation risk*

The majority of such investments and the income received are expressed in Chinese currency. Investors should be aware of the possibility of the sudden devaluation or revaluation of this currency.

#### *Volatility risk*

In common with other emerging markets, the China market may be faced with relatively low transaction volumes, and endure periods of lack of liquidity or considerable price volatility.

### Changes in PRC taxation risk

Certain sub-funds may invest in Chinese domestic securities market, i.e. China A-Shares, debt instruments traded on the Chinese Interbank Bond market and other permitted domestic securities in accordance with the investment policies of the in the relevant sub-fund.

Investment in such sub-funds may involve risks due to fiscal measures that the Chinese government could impose on foreign investors. According to Circular 79 (caishui [2014] No.79), published on 14 November 2014, RQFII without an establishment or place in China are temporarily exempt from withholding tax on capital gains and business taxes on capital gains realised from the trading in direct equity investments in PRC enterprises with effect from 17 November 2014. Circular 81 (Caishui [2014] No.81), also published on 14 November 2014, provided that Northbound investors in Stock Connect are temporarily exempt from withholding tax and Business tax on capital gains realised from the trading of A-Shares through Stock Connect. These exemptions are a temporary measure and there is no guidance on how long this will be in place and what measures (if any) will be announced if this exemption is eventually removed. Circular 155 (Caishui [2005] No.155) exempts Business Tax on gains derived from the trading in direct equity investments in PRC enterprises by QFIIs. It is uncertain whether RQFIIs benefit from the same exemption.

As the sub-funds did not make any direct equity investments in PRC enterprises prior to 17 November 2014, no provision was made in this regard. In light of the Circulars mentioned above, the sub-funds would not make a provision in respect of PRC withholding tax on capital gains derived from direct equity investments in PRC enterprises on and after 17 November 2014.

Accordingly, the sub-funds may have to make a provision to cover potential taxes without prior notification in the event that an amendment to tax legislation were decided or expected or a removal of the current exemptions. Circular 79 did not provide an exemption from withholding tax on capital gains derived from non-equity assets and accordingly provision to cover such potential taxes will be made. The sub-funds would provide for PRC withholding tax of 10% on capital gains derived from the trading of non-equity investments.

Any tax provision made may be more than or less than the sub-funds' actual tax liabilities, which may potentially cause substantial loss to the sub-funds. Shareholders may be disadvantaged depending upon the final tax liabilities, the level of provision and when they subscribed and/or redeemed their Shares. In case of any shortfall between the provisions and the actual tax liabilities, which will be debited from the sub-funds' assets, the sub-funds' asset value will be adversely affected. In this case, existing and subsequent investors will be disadvantaged as they will bear for a disproportionately higher amount of tax liabilities as compared to the liability at the time of investment in the sub-funds. On the other hand, the actual tax liabilities may be lower than the tax provision made. In that case, persons who have already redeemed their Shares in the sub-funds before the actual tax liabilities are determined will not be entitled or have any right to claim any part of such overprovision.

For dividends, interest and potentially other income, applicable PRC taxes are withheld at source at the moment of payment. Therefore, no provision is made in the NAV Calculation for these taxes. There can be no guarantee that new tax laws, regulations and practice in the PRC specifically relating to the RQFII regime or the Shanghai-Hong Kong Stock Connect may be announced in the future. Such new laws, regulations and practice may operate to the advantage or disadvantage of the investors due to the sub-funds' investments in the PRC market.

The tax laws, regulations and practice in the PRC are constantly changing, and they may be changed with retrospective effect.

#### *Risks related to RQFII investments*

##### *RQFII Quota:*

The Investment Manager of the relevant RQFII sub-funds<sup>1</sup> has obtained a RQFII license and has been granted a RQFII investment quota (the "RQFII Quota") through which the Investment Manager may invest on behalf of RQFII sub-funds directly in China domestic securities. The Fund may not have exclusive use of the entire RQFII quota granted by SAFE to the Investment Manager as the Investment Manager may at its discretion to allocate its RQFII Quota to other products under its management.

##### *PRC Brokerage Risk*

The execution and settlement of transactions or the transfer of any funds or securities may be conducted by brokers ("PRC Brokers") appointed by the Investment Manager. There is a risk that the Fund may suffer significant losses from the default, bankruptcy or disqualification of the PRC Brokers in performing their obligation (including execution or settlement of any transaction or transfer of monies or securities).

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<sup>1</sup> Currently PARVEST Equity China only

#### *PRC Brokerage Risk*

The PRC Settlement Agent is appointed to provide trading and agency services of China interbank bond market (“CIBM”) investments for the RQFII sub-funds pursuant to the relevant laws and regulations. The RQFII sub-funds will have to rely on the PRC Settlement Agent to perform its duties. If the PRC Settlement Agent fails to perform any part of its duties, the CIBM transactions of the RQFII sub-funds may be affected.

Investors are reminded to refer to the section “Risks related to RQFII investments” under “Specific Risks Related to Investment in Mainland China” in “Appendix 3 – Investment Risks” of Book I of the Luxembourg Prospectus for other risk factors applicable to RQFII investments.

#### *Risks related to Stock Connect*

##### *Eligible securities*

Stock Connect comprises a Northbound trading link and a Southbound trading link. Under the Northbound trading link, Hong Kong and overseas investors will be able to trade certain stocks listed on the Shanghai Stock Exchange (“SSE”) market (i.e. “SSE Securities”). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on Hong Kong Exchanges and Clearing Limited (“SEHK”), except the following:

- (a) SSE-listed shares which are not traded in RMB; and
- (b) SSE-listed shares which are included in the “risk alert board”.

It is expected that the list of eligible securities will be subject to review. If a stock is recalled from the scope of eligible securities for trading via Stock Connect, the stock can only be sold and cannot be bought. This may affect the investment portfolio or strategies of investors. Investors should therefore pay close attention to the list of eligible securities as provided and renewed from time to time by SSE and SEHK.

New regulations may be issued from time to time by the regulators/stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. Sub-funds may be adversely affected retrospectively as a result of such changes.

##### *Suspension Risk*

Both SEHK and SSE may suspend the trading through Stock Connect for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the trading through Stock Connect is effected, the relevant sub-fund’s ability to access the Mainland China market via the Stock Connect will be adversely affected.

##### *Currency*

SSE Securities will be traded and settled in RMB only. Hence, the relevant sub-fund which is denominated in currency other than RMB will be subject to currency conversion risk.

##### *Investor Compensation*

Since the sub-fund will carry out Northbound trading through securities brokers in Hong Kong but not PRC brokers, they are not protected by the China Securities Investor Protection Fund (中國投資者保護基金) in the PRC.

Further information about Stock Connect is available online at the website:

[http://www.hkex.com.hk/eng/market/sec\\_tradinfra/chinaconnect/chinaconnect.htm](http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm)

Investors are reminded to refer to the section “Risks related to Stock Connect” under “Specific Risks Related to Investment in Mainland China” in “Appendix 3 – Investment Risks” of Book I of the Luxembourg Prospectus for other risk factors applicable to Stock Connect.

#### *Risk related to Direct China Interbank Bond Market Access*

##### *Risks associated with China Interbank Bond Market*

Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the China Interbank Bond Market may result in prices of certain debt securities traded on such market fluctuating significantly. The sub-fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the sub-fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments.

To the extent that the sub-fund transacts in the China Interbank Bond Market, the sub-fund may also be exposed to risks associated with settlement procedures and default of counterparties. The counterparty which has entered into a transaction with the sub-fund may default in its obligation to settle the transaction by delivery of the relevant security or by payment for value.

Since the relevant filings and account opening for investment in the China Interbank Bond Market have to be carried out via the an onshore settlement agent, the sub-fund is subject to the risks of default or errors on the part of the onshore settlement agent.

The China Interbank Bond Market is also subject to regulatory risks. The relevant rules and regulations on investment in the China Interbank Bond Market is subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the China Interbank Bond Market, the sub-fund’s ability to invest in the China Interbank Bond Market will be limited and, after exhausting other trading alternatives, the sub-fund may suffer substantial losses as a result.

##### *Regulatory risk*

The regulations which regulate investments into CIBM by Direct CIBM Access are relatively new. The application and interpretation of the regulations are therefore relatively untested and there is uncertainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future.

##### *Investment Restrictions and Repatriation Risks*

Investors should also note that investments in CIBM through Direct CIBM Access are subject to compliance with various rules and restrictions, which may have an adverse impact on its performance and/or its liquidity. People’s Bank of China and SAFE regulate and monitor the repatriation of funds out of the PRC pursuant to the related regulations. Repatriations of a sub-fund conducted in RMB are currently conducted daily and are not subject to repatriation restrictions or prior approval. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation may impact on the sub-funds’ ability to meet redemption requests from the Shareholders. In extreme circumstances, the sub-funds may incur significant loss due to limited investment capabilities, or may not be able to fully implement or pursue its investment objectives or strategy.

##### *PRC Settlement Agent Risks*

The PRC Settlement Agent is appointed, in respect of Direct CIBM Access, as a settlement agent approved by the Chinese authorities to handle all aspects of Direct CIBM Access for the sub-funds, including but not limited to, trading and settlement agency services, related registrations with Chinese authorities, CIBM specific local and foreign currency account

opening, as well as fund remittance and repatriation in relation to trading in the CIBM, pursuant to the relevant laws and regulations. The Company and the sub-funds will have to rely on the PRC Settlement Agent to perform its duties. If the PRC Settlement Agent fails to perform any part of its duties, the CIBM transactions of the sub-funds and fund remittance and repatriation may be affected.

#### Access products risk

Access products may not be listed and are subject to the terms and conditions imposed by their issuer. These terms may lead to delays in implementing the sub-fund's investment strategy due to restrictions on the issuer acquiring or disposing of the securities underlying the access products. Investment in access products can be illiquid as there is no active market in access products.

In addition, the sub-fund is exposed to the credit risk of the issuer of the access products. An investment in the access products does not entitle the access products holder to the beneficial interest in the shares nor to make any claim against the company issuing the shares.

Investment through access products may incur costs which may in turn lead to a dilution of performance of the sub-fund when compared to a fund investing directly in similar assets. Fluctuation in the exchange rate between the denomination currency of the underlying shares and the access products will affect the value of the access products, the redemption amount and distribution amount on the access products.

#### Risk related to investments in India

The sub-funds' investments are concentrated in India and will be subject to market, political, legal, regulatory, economic, taxation and capital control risks of India.

India is undergoing continuous development in its legal and regulatory framework and tax regulations. There is a risk that investments may be adversely affected by such changes.

#### Risk related to investments in Indonesia

Investments in some countries such as Indonesia involve risks linked to the restrictions imposed on foreign investors and counterparties, higher market volatility and the risk of lack of liquidity. The sub-fund's investments are concentrated in Indonesia and will be subject to market, political, legal, regulatory, economic, taxation and capital control risks of Indonesia. Indonesia is undergoing continuous development in its legal and regulatory framework and tax regulations. There is a risk that investments may be adversely affected by such changes.

#### Risk related to investments in Russia

The sub-fund's investments are concentrated in Russia and will be subject to market, political, legal, regulatory, economic, taxation and capital control risks of Russia.

The relative infancy of the Russian governmental and regulatory framework may expose the sub-fund to various political and economic risks. The Russian securities market from time to time may also suffer from a lack of market efficiency and liquidity which may cause higher price volatility and market disruptions. There is a risk that investments and the sub-fund's value may be adversely affected.

#### Risk in connection with investments in inflation-linked bonds

The sub-fund invests in inflation-linked bonds. Compared to traditional fixed-income securities, a lower than expected inflation rate will lead to an underperformance of

inflation-linked bonds. The inflation-linked bond market is currently relatively small. If there are major changes on the demand or supply side, this could have a more significant impact than on mature markets. Besides, the value of the assets of the sub-fund may be affected by uncertainties such as fluctuations in foreign exchange rates.

#### *Risk in connection with investment in Mid-Cap Companies*

The sub-funds invest in mid-cap companies and are likely to be subject to a higher than average volatility due to a high degree of concentration and greater uncertainty due to less liquidity, or greater sensitivity to changes in market conditions. Smaller companies may be unable to generate new funds to support their growth and development, lacking vision in management, or developing products for new and uncertain markets. The value of investments of the sub-funds may go down.

#### *Risk in connection with investment in Small-Cap Companies*

The sub-fund invests in small-cap companies and is likely to be subject to a higher than average volatility due to a high degree of concentration and greater uncertainty due to less liquidity, or greater sensitivity to changes in market conditions. Smaller companies may be unable to generate new funds to support their growth and development, lacking vision in management, or developing products for new and uncertain markets. The value of investments of the sub-fund may go down.

#### *Risk in connection with investment in non-investment grade and/or unrated debt securities*

The sub-funds may invest in non-investment grade and/or unrated debt securities. Compare with investment grade debt securities, it is more likely that income or capital payments may not be paid when due and therefore subject to higher credit risk/risk of default. Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times. If any default occurs, the amount recovered may be smaller or even zero; and the sub-funds may incur additional costs if losses are to be recovered through bankruptcy or other proceedings. The market for non-investment grade and/or unrated debt securities may be less active, making it more difficult to sell the securities. Valuation of non-investment grade and/or unrated debt securities is more difficult and thus the sub-funds' prices may be more volatile.

In addition, investment grade debt securities which sub-funds acquired may subsequently be downgraded to non-investment grade. The investment value of such securities may be adversely affected. The sub-funds may continue to hold such securities upon the credit downgrading and its net asset value may be more volatile than that of traditional, bond sub-funds and payment default by issuers of securities in the portfolio cannot be ruled out.

#### *Eurozone market risk*

The sub-funds invest in Eurozone. Economic and financial difficulties in Eurozone may continue, worsen or spread within and outside the Eurozone. The responses made by European governments, central banks and other governmental entities to the economic and financial problems, including austerity measures and reforms, may not be efficient or may subsequently result in social unrest, limiting future growth and economic recovery, or other unintentional consequences. In addition, countries may leave the Eurozone and return to a national currency, and as a result may depart from the European Union and cease to use Euro as local currency. Sub-funds invest in securities of issuers located in Europe, or with significant exposure to European issuers or countries may be significantly impacted. Such events could adversely affect the investment of the sub-funds and thus adversely affect the performance and value of the sub-funds.

#### *Risk in connection with investments in sovereign debt*

The sub-funds may invest in sovereign debt. Certain countries are especially large debtors to commercial banks and foreign governments. Investment in such debt obligations, i.e. sovereign debt, issued or guaranteed by such governments or governmental entities involves a higher degree of risk. The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. The value of investments of the sub-funds may be adversely affected. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest on their debt.

PARVEST Bond Asia ex Japan, PARVEST Bond Best Selection World Emerging, and PAREST Bond World Emerging Local may be further subject to the risk of high concentration in debt securities issued by and/or guaranteed by a single sovereign issuer which is below investment grade and/or unrated which is also subject to higher credit / default risk. In the event of a default of the sovereign issuer, these sub-funds may suffer significant loss.

#### *Risk in connection with the investments strategy*

The investment manager will rely on a quantitative model and follow a risk-optimisation process when constructing the portfolio based on a proprietary risk model. However, there is a possibility that this quantitative model may not work and the risk optimization may not be achieved; and the sub-fund's value may be adversely affected.

Investors should note that lower volatility does not necessarily mean lower risk.

#### *Asset Allocation Risk*

The performance of the sub-fund(s) is dependent on the success of the asset allocation strategy employed by the sub-fund(s). There is no assurance that the strategy employed by the sub-fund(s) will be successful. In adverse situation, the sub-fund's asset allocation strategy may become ineffective and may result in losses to the sub-fund(s). The investments of the sub-fund may be periodically rebalanced and therefore may incur greater transaction costs than a fund with static allocation strategy.

#### *Downgrading risk for investment grade debt securities*

Investment grade debt securities face the risk that their ratings can be downgraded by the rating agencies during when these securities are invested by the sub-fund(s). Downgrading of a particular security may lead to reduced value of the security concerned and may result in losses to the sub-fund(s).

#### *Risk in connection with the use of financial derivative instruments for efficient portfolio management purpose*

The sub-fund(s) may use financial derivative instruments for efficient portfolio management purpose, which may involve additional risks, including volatility risk, credit risk, liquidity risk, legal risk, valuation risk and counterparty risk. In adverse situation, the sub-fund's use of

financial derivative instruments may become ineffective in efficient portfolio management and may result in losses to the sub-fund.

*Risk in connection with the use of financial derivative instruments for hedging*

The sub-fund(s) may hold financial derivative instruments for hedging which may involve volatility risk, credit risk, liquidity risk, legal risk, valuation risk and counterparty risk. The success of the sub-fund's hedging strategy will depend, in part, upon the investment manager's ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged.

In adverse situation, the sub-fund's use of financial derivative instruments may become ineffective in hedging and may result in losses to the sub-fund(s).

*Risk in connection with transactions entered for hedging purpose*

PARVEST Bond World Emerging Local will enter into transactions for hedging purpose. Futures on developed market securities (such as US Treasury debt securities) can be invested to hedge the exposure to emerging market debt (USD denominated). The difference in price (between USD denominated developed country debt and USD denominated emerging countries debt) constitute the risk of those transactions. There is a possibility that hedging may not be successful or does not work and the sub-fund's value may be adversely affected.

PARVEST Bond USD will enter into transactions to hedge its non-USD exposure. However, there is a possibility that hedging may not be successful or does not work and the sub-fund's value may be adversely affected.

PAREST Bond World High Yield will enter into transactions to hedge its non-EURO exposure. However, there is a possibility that hedging may not be successful or does not work and the sub-fund's value may be adversely affected.

PARVEST Convertible Bond World will enter into transactions to hedge its non-USD exposure. However, there is a possibility that hedging may not be successful or does not work and the sub-fund's value may be adversely affected.

*Currency exchange risk due to significant exposure to currency positions*

PARVEST Bond World may have significant exposure to currency positions. The sub-fund may suffer significant or total loss even if there is no loss of the value of the main underlying assets (being bonds) invested by the sub-fund as the currency positions may not be correlated with the main underlying assets of the sub-fund.

*Risk in connection with structured debt securities*

PARVEST Bond USD may have significant exposure to structured debt securities (including mortgage backed securities, asset backed securities and commercial mortgage backed securities) and derivatives on such securities, which may be highly illiquid and prone to substantial price volatility. These instruments may be subject to greater credit, liquidity and interest rate risk compared to other debt securities. They are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the returns of the securities.



### High leverage risk

The sub-funds may have a net leveraged exposure of over 100% of the NAV of the sub-funds. In adverse situation, this may result in significant or total loss of the sub-funds.

### *Level of Leverage*

Investors should refer to the table below for the level of leverage of each sub-fund. The maximum level of leverage is the “possibility of highest leverage” levels that could be reached during the life of the sub-funds regarding its investment policy.

Sub-fund	Level of leverage	Calculation methodology
PARVEST Bond Asia ex-Japan	Up to 100% of NAV	Commitment method
PARVEST Bond Best Selection World Emerging	Up to 100% of NAV	Commitment method
PARVEST Bond USD	Expected 115% of NAV	Notional method
	Up to 200% of NAV	Commitment method
PARVEST Bond USD Short Duration	Up to 100% of NAV	Commitment method
PARVEST Bond World	Expected 450% of NAV	Notional method
	Up to 200% of NAV	Commitment method
PARVEST Bond World Emerging Local	Up to 100% of NAV	Commitment method
PARVEST Bond World Inflation-Linked	Expected 250% of NAV	Notional method
	Up to 200% of NAV	Commitment method
PARVEST Bond World High Yield	Up to 100% of NAV	Commitment method
PARVEST Convertible Bond Asia	Expected 100% of NAV	Notional method
	Up to 200% of NAV	Commitment method
PARVEST Convertible Bond World	Expected 150% of NAV	Notional method
	Up to 200% of NAV	Commitment method
PARVEST Equity Best Selection Asia ex-Japan	Up to 100% of NAV	Commitment method
PARVEST Equity Best Selection Europe	Up to 100% of NAV	Commitment method
PARVEST Equity Brazil	Up to 100% of NAV	Commitment method
PARVEST Equity China	Up to 100% of NAV	Commitment method
PARVEST Equity Europe Emerging	Up to 100% of NAV	Commitment method
PARVEST Equity Europe Growth	Up to 100% of NAV	Commitment method
PARVEST Equity Europe Mid Cap	Up to 100% of NAV	Commitment method
PARVEST Sustainable Equity High Dividend Europe	Up to 100% of NAV	Commitment method
PARVEST Equity High Dividend Pacific	Up to 100% of NAV	Commitment method
PARVEST Equity High Dividend USA	Up to 100% of NAV	Commitment method
PARVEST Equity India	Up to 100% of NAV	Commitment method
PARVEST Equity Indonesia	Up to 100% of NAV	Commitment method
PARVEST Equity Japan	Up to 100% of NAV	Commitment method
PARVEST Equity Latin America	Up to 100% of NAV	Commitment method
PARVEST Equity Russia Opportunities	Up to 100% of NAV	Commitment method
PARVEST Equity USA Growth	Up to 100% of NAV	Commitment method
PARVEST Equity USA Mid Cap	Up to 100% of NAV	Commitment method
PARVEST Equity World Consumer Durables	Up to 100% of NAV	Commitment method
PARVEST Equity World Emerging	Up to 100% of NAV	Commitment method
PARVEST Equity World Energy	Up to 100% of NAV	Commitment method
PARVEST Equity World Finance	Up to 100% of NAV	Commitment method
PARVEST Equity World Health Care	Up to 100% of NAV	Commitment method
PARVEST Equity World Materials	Up to 100% of NAV	Commitment method
PARVEST Equity World Technology	Up to 100% of NAV	Commitment method
PARVEST Equity World Utilities	Up to 100% of NAV	Commitment method
PARVEST Green Tigers	Up to 100% of NAV	Commitment method
PARVEST Real Estate Securities Pacific	Up to 100% of NAV	Commitment method
PARVEST Real Estate Securities World	Up to 100% of NAV	Commitment method

## **The Shares**

### *General*

The relevant dealing procedures and minimum thresholds for subscription, conversion and redemption of shares in a relevant sub-fund and determination of net asset value per share of a sub-fund are set out in the Prospectus under the heading “THE SHARES” sub-heading “SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES”, in Book I of the Prospectus and in the relevant sub-fund supplement.

Only the following share classes of the relevant sub-funds (as relevant) are available for subscription in Hong Kong. However, potential investors should check with the Hong Kong Representative or its distribution agents as to whether a particular share class in a sub-fund is open for subscription at a particular time.

The Hong Kong Representative of the Company and its sub-funds is BNP Paribas Investment Partners Asia Limited on 30/F, Three Exchange Square, 8 Connaught Place, Central, Hong Kong. Hong Kong investors may contact the Hong Kong Representative by telephone at (852) 2533 0088 or in writing to 30/F, Three Exchange Square, 8 Connaught Place, Central, Hong Kong if they have any enquires or complaints in respect of the Company.

<b>Sub-funds</b>	<b>Class of shares available in Hong Kong</b>
PARVEST Bond Asia ex-Japan	Classic – Capitalization Classic – Distribution Classic MD Classic RH AUD MD Classic RH SGD MD Classic EUR – Capitalization Privilège – Capitalization Privilège – Distribution
PARVEST Bond Best Selection World Emerging	Classic – Capitalization Classic – Distribution Classic RH EUR – Capitalization Classic RH EUR – Distribution Classic MD
PARVEST Bond USD	Classic – Capitalization Classic – Distribution Classic MD Classic EUR – Capitalization
PARVEST Bond USD Short Duration	Classic – Capitalization Classic MD Classic H EUR – Capitalization Privilège – Capitalization
PARVEST Bond World	Classic – Capitalization Classic – Distribution Classic USD – Capitalization
PARVEST Bond World Emerging Local	Classic – Capitalization Classic – Distribution Classic RH EUR – Capitalization Classic RH EUR – Distribution Classic MD Classic EUR – Capitalization
PARVEST Bond World Inflation-Linked	Classic – Capitalization Classic – Distribution Privilège – Capitalization
PARVEST Bond World High Yield	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Classic H USD – Capitalization Classic H USD – Distribution Classic USD MD

PARVEST Convertible Bond Asia	Classic – Capitalization Classic – Distribution Classic MD Privilège – Capitalization
PARVEST Convertible Bond World	Classic – Capitalization Classic – Distribution Classic RH EUR – Capitalization Classic RH EUR – Distribution
PARVEST Equity Best Selection Asia ex-Japan	Classic – Capitalization Classic – Distribution Classic EUR – Capitalization Classic EUR – Distribution
PARVEST Equity Best Selection Euro	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Classic H USD– Capitalization Privilège – Capitalization Privilège – Distribution
PARVEST Equity Best Selection Europe	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Privilège – Capitalization
PARVEST Equity Brazil	Classic – Capitalization Classic – Distribution Classic EUR – Capitalization Privilège – Capitalization
PARVEST Equity China	Classic – Capitalization Classic – Distribution Classic EUR – Capitalization Classic EUR – Distribution
PARVEST Equity Europe Emerging	Classic – Capitalization Classic – Distribution Classic USD – Capitalization
PARVEST Equity Europe Growth	Classic – Capitalization Classic – Distribution Classic RH USD MD Classic USD – Capitalization
PARVEST Equity Europe Mid Cap	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Privilège – Capitalization
PARVEST Equity Europe Small Cap	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Privilège – Capitalization Privilège – Distribution
PARVEST Sustainable Equity High Dividend Europe	Classic – Capitalization Classic – Distribution Privilège – Capitalization
PARVEST Equity High Dividend Pacific	Classic – Capitalization Classic – Distribution Classic MD Classic EUR – Capitalization Classic EUR – Distribution
PARVEST Equity High Dividend USA	Classic – Capitalization Classic – Distribution Classic H EUR – Capitalization Classic H EUR – Distribution Classic EUR – Capitalization
PARVEST Equity India	Classic – Capitalization Classic – Distribution Classic EUR – Capitalization Classic EUR – Distribution
PARVEST Equity Indonesia	Classic – Capitalization Classic – Distribution Classic EUR – Capitalization

PARVEST Equity Japan	Classic – Capitalization Classic – Distribution Classic H EUR – Capitalization Classic H USD – Capitalization Classic USD – Capitalization Privilège – Capitalization
PARVEST Equity Latin America	Classic – Capitalization Classic – Distribution Privilège – Capitalization
PARVEST Equity Russia	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Classic USD – Distribution Privilège – Capitalization Privilège – Distribution
PARVEST Equity Russia Opportunities	Classic – Capitalization Classic – Distribution Classic EUR – Capitalization Privilège – Capitalization
PARVEST Equity USA Growth	Classic – Capitalization Classic – Distribution Classic H EUR – Capitalization Classic EUR – Capitalization
PARVEST Equity USA Mid Cap	Classic – Capitalization Classic – Distribution Classic H EUR – Capitalization Privilège – Capitalization
PARVEST Equity World Consumer Durables	Classic – Capitalization Classic – Distribution Classic USD – Capitalization
PARVEST Equity World Emerging	Classic – Capitalization Classic – Distribution Classic EUR – Capitalization Classic EUR – Distribution Privilège – Capitalization
PARVEST Equity World Energy	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Classic USD – Distribution
PARVEST Equity World Finance	Classic – Capitalization Classic – Distribution Classic USD – Capitalization
PARVEST Equity World Health Care	Classic – Capitalization Classic – Distribution Classic USD – Capitalization
PARVEST Equity World Low Volatility	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Classic USD – Distribution Privilège – Capitalization
PARVEST Equity World Materials	Classic – Capitalization Classic – Distribution Classic USD – Capitalization
PARVEST Equity World Technology	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Classic USD – Distribution Privilège – Capitalization
PARVEST Equity World Utilities	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Classic USD – Distribution
PARVEST Green Tigers	Classic – Capitalization Classic – Distribution Classic USD – Distribution

PARVEST Real Estate Securities Pacific	Classic – Capitalization Classic – Distribution Classic USD – Capitalization Classic USD – Distribution
PARVEST Real Estate Securities World	Classic – Capitalization Classic – Distribution Classic USD – Capitalization
PARVEST Multi-Asset Income Emerging	Classic – Capitalization Classic MD Classic HKD MD Classic RH AUD MD Classic RH SGD MD Classic EUR – Distribution

Investors should note that the Prospectus also contains references to other share classes in the sub-funds, which are not currently available to retail Hong Kong investors. Investors should also note that the fee structure of all Classic shares is the same. In addition, investors should note that only registered shares will be issued to retail Hong Kong investors.

#### *Dealing Procedures for Hong Kong Investors*

Save as the Board of Directors may otherwise permit from time to time, applications in Hong Kong for subscription, conversion or redemption of shares in a relevant sub-fund must be submitted via the authorised distributors. A current list of authorised distributors may be obtained from the Hong Kong Representative.

Applications sent directly to the Transfer Agent in Luxembourg (or any other person) may be rejected. Hong Kong investors should also note the dealing procedures and fees involved set out in the Prospectus under the section headed “THE SHARES”, sub-heading “SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES” in Book I of the Prospectus, the relevant sub-fund supplement in Book II of the Prospectus; and the following:

Investors are reminded that all applications are subject to acceptance by the Transfer Agent in Luxembourg.

**Investors are reminded that no money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry on Type 1 (dealing in securities) regulated activity under Part V of the SFO or a person who does not fall within the statutory or other applicable exemption from the requirement to be licensed or registered to carry on Type 1 (dealing in securities) regulated activity under Part V of the SFO.**

Save as the Board of Directors may otherwise permit from time to time, Hong Kong investors who wish to subscribe for, redeem or convert shares in any sub-fund should complete and submit the application form to the authorised distributors.

Authorised distributors, upon receiving the dealing applications from Hong Kong investors, will forward the relevant dealing applications to a transaction servicing agent (the “Agent”) appointed from time to time by BNP Paribas Investment Partners Asia Limited. The deadline for the authorised distributors in Hong Kong to forward the dealing applications to the Agent is 6pm (Hong Kong time) on a Hong Kong business day. The Agent will then collate any dealing applications received on each Hong Kong business day and forward them directly to the Transfer Agent in Luxembourg for further processing. For these purposes, a Hong Kong business day is a day on which banks in Hong Kong are open for normal banking business but does not include Saturdays, Sundays or public holidays.

Hong Kong investors should note that in order for a dealing application to be executed at the asset value on a given valuation day, it must be received by the Transfer Agent in Luxembourg

before the time and date specified in the detailed conditions for each sub-fund in Book II of the Prospectus. Orders received after this deadline will be processed at the asset value on the next valuation day after the valuation day in question.

Investors should note that different authorised distributors may have different dealing cut-off times which may be earlier than the cut-off times specified in this document and the Prospectus and investors should check with the relevant authorised distributors accordingly.

In order to be accepted by the Company, orders for subscription (or redemption) must include all necessary information relating to the identification of the subscribed shares (or in the case of redemptions, the shares in question) and the identity of the subscriber (or in the case of redemptions, the shareholder) as more particularly set out in the Prospectus.

### *Subscription of Shares*

Payment for subscription of shares should be made in one of the valuation currencies of the shares concerned and must be made by telegraphic transfer. Payment made by personal cheque or banker's draft will not be accepted. The Company reserves the right to postpone, and/or cancel the subscription requests if it is not certain that the appropriate payment will reach the designated bank accounts within the required payment time or if the order is incomplete. Applicants should refer to the application form for payment details.

The Board of Directors may at their absolute discretion reject an application for shares in whole or in part or redeem at any time shares in the Company that were unlawfully subscribed or are unlawfully held. The Board does not need to justify any such decision. In addition, the Directors may suspend the issue of shares of any sub-fund during any period when the calculation of such sub-fund's net asset value is suspended.

### *Redemption of Shares*

Redemption proceeds will be paid in the valuation currency to the bank account as previously specified by the redeeming shareholder in the subscription application form, normally within 3 Hong Kong business days of the applicable valuation day, but not later than one calendar month from the relevant valuation day unless the market(s) in which a substantial portion of investments of the relevant sub-fund is made is subject to legal or regulatory requirements (such as foreign currency controls) thus rendering the payment of the redemption proceeds within the aforesaid time period not practicable. In such case, the extended time frame for the payment of redemption proceeds shall reflect the additional time needed in light of the specific circumstances in the relevant market(s). Such relevant markets which are more likely to be subject to legal or regulatory requirements are those emerging or developing countries. Currently, no sub-fund is subject to the extended timeframe for the purpose of payment of redemption proceeds. Should there be any sub-fund which requires to have the extended timeframe for the purpose of paying redemption proceeds, at least one month's prior notice will be given to the Hong Kong shareholders of the sub-fund concerned and that this document will be updated accordingly.

If the shares are held by a shareholder who does not or ceases to comply with any holding requirements applicable to such shares specified in the section headed "THE SHARES" in the Prospectus for the "Privilege" categories, the Board of Directors may decide to convert the shares into shares of the authorised category of the same sub-fund.

### *Conversion of Shares*

Shareholders may convert some or all of their shares in a sub-fund into shares of another sub-fund and/or category (provided that such other sub-fund and/or category is authorised for

sale to the public in Hong Kong and available to Hong Kong investors). All terms concerning subscription and redemption of Shares shall equally apply to conversion of Shares. Shareholders should refer to the Prospectus for details of the conversion process.

Shareholders who wish to convert their shares should notify the relevant authorised distributors indicating the name of the sub-fund into which the shares are to be converted and specifying the category and class of the shares to be converted and the category and class of the shares of the new sub-fund to be issued and whether they are registered or bearer shares. If this information is not given, the shares will be converted into shares of the same class within the same category.

#### *Dividend Policy*

Dividend policy is set out under the section headed “THE SHARES” in Book I of the Prospectus. Investors should note that the Management Company may at its discretion pay dividends out of the capital of the sub-fund. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the sub-fund’s capital may result in an immediate reduction of the net asset value per share. The Management Company may amend the dividend policy subject to the SFC’s prior approval and by giving not less than one month’s notice to investors. The compositions of the dividends for the last 12 months are available from the Hong Kong Representative on request and also on the website at <http://www.bnpparibas-ip.com.hk><sup>2</sup>.

#### **Fees and Expenses**

The relevant fees and expenses of the Company and each sub-fund are set out in the Prospectus.

Hong Kong investors should note that at least one month’s prior notice (or such other period as may be agreed with the SFC) will be given to affected Hong Kong shareholders in the Company if there is any increase in fees and charges from the current to the permitted maximum rate, or any increase beyond its maximum level as prescribed in the Prospectus.

In addition, for so long as the Company and the relevant sub-fund(s) are authorised by the SFC in Hong Kong, the Board of Directors have determined that any expenses arising out of any advertising or promotional activities in connection with the Company and/or the relevant sub-fund(s) will not be paid out of the assets of the Company or the relevant sub-fund(s).

#### **Establishment Costs of each Sub-fund**

The costs relating to the creation of new sub-funds will be borne by the relevant sub-funds and amortised during the year succeeding such new sub-funds’ creation or such longer period as the Directors may determine but which may not exceed five years as from the date of such creation. If a sub-fund is closed, any set-up costs which have not been amortised will be charged to the sub-fund being liquidated. There are no unamortised establishment expenses at the level of the relevant sub-fund(s) as at the date of this document.

#### **Publication of Prices**

The relevant net asset value per share of each Sub-Fund shall be published daily on the website at <http://www.bnpparibas-ip.com.hk>.

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<sup>2</sup> Investors should note that this website has not been reviewed by the SFC.

## **Suspension**

The calculation of the net asset value, and the issue, redemption and conversion of the shares of one or more sub-funds may be suspended in the situations set out in the Prospectus headed “SUSPENSION OF THE CALCULATION OF THE NET ASSET VALUE AND THE ISSUE, CONVERSION AND REDEMPTION OF SHARES”.

Any temporary suspension of dealing in shares of any sub-fund shall be notified to the SFC immediately and, where possible, all reasonable steps will be taken to bring any period of temporary suspension to an end as soon as possible. Notice will be given to shareholders or be published on the website at <http://www.bnpparibas-ip.com.hk>.

## **Securities Lending and Borrowing and Repurchase Transactions**

The relevant information relating to securities lending and/or repurchase transactions by the Company and/or the sub-funds are set out in Appendix 2 of the Prospectus headed “TECHNIQUES, FINANCIAL INSTRUMENTS, AND INVESTMENT POLICIES” in item 3 and item 4 respectively.

### ***Securities Lending and Borrowing***

The sub-funds of the Company may enter into securities lending and borrowing transactions of up to 100% of the aggregate market value of the securities in the sub-fund (except for PARVEST Equity Best Selection Europe and PARVEST Equity Europe Growth which the maximum level will be 20%) provided the Company complies with the following rules:

- (i) The Company may only lend securities within a standardised system organised by a recognised securities clearing institution or by a leading financial institution that is subject to prudential supervision rules that the CSSF deems equivalent to those laid down in EU laws.
- (ii) In relation to its lending transactions, the Company shall receive a guarantee of a value which, at the conclusion of the agreement, must be at least equal to the amount of the overall valuation of the securities lent.

Such guarantee is given in the form of cash and/or securities issued or guaranteed by a Member State of the OECD, by its regional authorities or by supranational institutions and organisations with EU, regional or global scope, and is frozen in an account in the name of the Company until the lending contract expires.

If the guarantee is given in the form of cash, the Company may reinvest the cash in the manner described in CSSF circular 08/356. Non-cash guarantees must be issued by an entity that is not affiliated with the counterparty.

The Company must ensure that securities lending transactions remain within appropriate levels, or must be able to request the return of the securities on loan so that it can satisfy its redemption obligations at any time and so that these lending transactions do not jeopardise the management of the Company's assets in compliance with its investment policy.

- (iii) The Company may not use the securities it has borrowed during the entire term of the loan unless they are hedged by financial instruments allowing the Company to return the borrowed securities when the transaction is settled.



The Company must receive a guarantee, before or at the same time as the securities on loan are transferred, the value of which must remain equal to at least 90% of the aggregate market value of the securities on loan throughout the term of the loan (including all interest, dividends and other rights).

- (iv) The Company may only engage in securities borrowing transactions in the following exceptional circumstances: (a) when the Company is engaged in the sale of portfolio securities at a time when said securities are being registered with a government authority and therefore are not available; (b) when securities which have been lent are not returned on time; and (c) in order to avoid default of a promised delivery of securities if the Custodian fails to perform its obligation to deliver the relevant securities.
- (v) An operating party may be employed to undertake securities lending transactions. All transactions will be carried out on arms length basis, including where the operating party is an affiliate or other connected person of the Company.

In relation to securities lending transactions, net revenues of any incremental income earned from securities lending will accrue to the relevant sub-fund.

### ***Repurchase Transactions***

Each sub-fund may, on an ancillary basis, engage in repurchase agreements which consist of purchases and sales of securities with clauses reserving the seller's right to buy the sold securities back from the purchaser at a price and time stipulated between the two parties at the time of entering into the contract. Each sub-fund may engage in repurchase agreements either as buyer or seller.

The relevant information (including the counterparties and eligible securities and limit) relating repurchase transactions by the Company and/or the sub-funds are set out in Appendix 2 of the Prospectus headed "TECHNIQUES, FINANCIAL INSTRUMENTS, AND INVESTMENT POLICIES" in item 4.

Repurchase transactions may be transacted through BNP Paribas group affiliates and other external counterparties. The income generated from repurchase transactions will be fully accrued to the relevant sub-fund of the Company.

Repurchase transactions represent a low risk for counterparties involved because if the seller (of securities) defaults and is not able to reimburse cash, the buyer is allowed to keep the securities (considered here as a collateral) and sell them to cover its loss. Nevertheless, there can be a credit risk in this situation if the security has lost value since the outset of the transaction; to cover this risk, margining can be put in place at the start date of the operation.

### **Reports and Accounts**

The Company's financial year ends on 31 December. Annual audited accounts (in English) will be available within four months after the conclusion of each financial year and unaudited half yearly reports (in English) will be available within two months of the period they cover. Notice will be given to the shareholders as and when the aforementioned reports are available. Electronic versions of these reports will be available on the website at <http://www.bnpparibas-ip.com.hk>. Hong Kong investors can contact the Hong Kong Representative should they want to obtain a printed copy of the aforementioned reports.

## **Hong Kong Taxation**

Under current Hong Kong law and for so long as the Company and the relevant sub-fund maintains its authorisation under Section 104 of the SFO (or any other relevant legislation to be enacted from time to time), the Company and the relevant sub-fund will not pay tax on profits attributable to the Company and/or the relevant sub-fund.

Hong Kong resident shareholders in the Company will not be subject to any Hong Kong tax on distributions paid by the Company or the relevant sub-fund on capital gains realised on the redemption of any shares in the Company or the relevant sub-fund unless such acquisition, redemption or conversion of shares is or forms part of a trade, profession or business carried on in Hong Kong.

Since the Company does not maintain its register of shareholders in Hong Kong, no Hong Kong stamp duty is payable in respect of transactions in the shares of the Company.

The above information is not exhaustive and shareholders in the Company and/or the relevant sub-fund and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

**As is the case with any investment, there can be no guarantee that the tax position or proposed tax position at the time of an investment in the Company or a sub-fund will endure indefinitely.**

## **Rebates, Transactions with Connected Persons and Soft Commissions**

The Management Company may not obtain a rebate on any fees or charges levied by an underlying scheme or its management company.

All transactions carried out by or on behalf of the Company must be at arm's length and executed on the best available terms for transactions of the kind and size concerned. Transactions with connected persons of the Management Company, portfolio managers or directors of the Company may not account for more than 50% of the Company's transactions in value in any one financial year of the Company.

### *Soft commissions*

The Investment Managers or their connected persons may enter into soft commission arrangements with a number of brokers under which real-time pricing information and analysis from independent research groups is made available to the Investment Managers or their connected persons free of charge in consideration of the Investment Managers dealing with such brokers for the account of the sub-funds. Soft commission arrangements may also give the Investment Managers or their connected persons access to risk management software.

Neither the Management Company nor any of its connected persons may retain cash or other rebates from a broker or dealer in consideration of directing transactions in the Company's property to the broker or dealer. Soft commissions in the form of the provision of goods or services by brokers are permitted if such goods or services are of demonstrable benefit to the Company. For the avoidance of doubt, examples of goods and services that are not permitted include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employee salaries or direct money payments.

Details of any such commissions will be disclosed in the annual and semi-annual report and accounts of the Company. The execution of transactions will be consistent with best execution standards and brokerage rates will not be in excess of customary institutional full-service brokerage rates.

### **Management and Sub-Delegation**

The Board of Directors have appointed the Management Company. Details of the Management Company are set out in the Prospectus.

The Management Company has delegated its discretionary investment management functions in respect of each of the sub-funds of the Company to one or more portfolio managers listed in the Prospectus under the heading “General Information” sub-heading “Investment Managers” (namely BNP Paribas Asset Management S.A.S., BNP Paribas Investment Partners Asia Limited, BNP Paribas Investment Partners Singapore Limited, BNP Paribas Investment Partners Japan Ltd., BNP Paribas Investment Partners Nederland N.V., BNP Paribas Investment Partners UK Ltd., Fairpointe Capital LLC, Fischer Francis Trees & Watts, Inc., THEAM S.A.S. and River Road Asset Management, LLC, Alfred Berg Kapitalforvaltning AB and BNP Paribas Asset Management Brasil Ltda.) in order that investors can benefit from the specific investment management expertise of the same.

Details of the relevant portfolio manager(s) responsible for a particular sub-fund will be listed in the annual report of the Company and will be available from the Hong Kong Representative. The discretionary portfolio manager(s) managing a sub-fund may change from time to time on an ‘investment centre’ basis and as such it will not be possible to give prior notification to affected shareholders in respect of such changes. Investors should contact the Hong Kong Representative for relevant information.

Prior approval will be sought from the SFC and at least one month notification will be given to the Hong Kong shareholders should there be any addition in the list of Investment managers that are managing the sub-funds which are authorised in Hong Kong.

### **Conflicts of Interest**

The Management Company, the investment managers and the Custodian may from time to time act as administrative agent, registrar, manager, custodian, investment manager or investment adviser, representative, service provider 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 sub-funds of the Company. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Company. At all times, the Management Company will ensure that such conflicts are resolved fairly. In any event, the Management Company shall ensure that all investment opportunities will be fairly allocated. Compliance procedures and measures such as segregation of duties and responsibilities together with different reporting lines and “Chinese walls” have been put in place to minimise potential conflicts of interests.

### **Risk Management Policies and Procedures**

The risk management function is independently established to assure an independent, centralised and cross-functional supervision of risks and related controls. There is a strict separation between the risk management and investment management functions. According to Article 13 of the CSSF Regulation 10-4, the Management Company is required to establish and maintain a permanent risk management function in order to enable the role a total independency toward fund managers and sales department. The risk management function would not involve in any investment, sales or business development activities.

The supervision of the independent risk management function is carried out through various committees, in particular the Luxembourg “Compliance, Risk & Legal Committee” involving risk management function, permanent control function and senior management of the Management Company. The activity of the risk management function is subject to periodic internal audit inspections and operational risk control.

Investors should refer to the Prospectus and in particular Appendix 2 thereto, section headed “TECHNIQUES, FINANCIAL INSTRUMENTS, AND INVESTMENT POLICIES”, for information related to the techniques and instruments, which may be used in respect of the Company and its sub-funds. A summary of the risk policies and procedures concerning the investments by the sub-funds is set out below.

Pursuant to the CSSF Circular 11/512, the Management Company of the Company employs a Risk Management Procedure (“RMP”) for the Company.

The RMP covers investment risk, investment compliance, market, counterparty, OTC derivative, liquidity and operational risks. The RMP provides assurances of proper application of regulatory rules and internal transversal rules, and regularly informing senior management of the set up and general level of risk exposure. The risk and control framework aims to capitalise on all quantitative risk disciplines and experience throughout the Management Company and encourages best practices with the support of market and credit professionals closely aligned to strategic and regional businesses.

The Management Company of the Company employs a comprehensive risk management process which enables it and the business division to monitor and measure the risk of the positions and their contribution to the overall risk profile of each sub-fund.

Stringent processes are in place to evaluate, approve and monitor counterparties to mitigate the counterparty risk for all counterparties.

Various tools ensure that there are checks and verifications at different stages of the process to ensure legal and contractual obligations are not breached. Risk is monitored and controlled with various methods and tools including in-house and external software database and tools. All instruments and investment techniques must be in line with the investment objectives and restrictions of each sub-fund. Robust escalation procedures are in place to ensure any identified irregularities are escalated and resolved in a timely fashion.

Market risks of the sub-funds are monitored daily with an internal dedicated software CRGE and RiskMetrics. Value at Risk based approaches (historical simulation and Monte Carlo methodology, probability of 99%, time horizon of 1-month) are used for sub-funds engage in complex investment strategies or have more than a negligible exposure to exotic derivatives. VaR calculation are proceeded on a daily basis, stress test and back test are monthly. Under the VaR-based approaches, the VaR of absolute return sub-fund shall not exceed 20% of the net asset value of the sub-fund(absolute approach) as the relative VaR shall not exceed two times the VaR of a reference portfolio (relative approach). A maximum level of leverage is defined internally for risk monitoring purpose but is not statutory. In addition, monthly stress tests are designed to estimate potential losses in abnormal markets. For other sub-funds, commitment approach is performed through CRGE to control the exposure on a daily basis.

The Management Company has developed a process for manage liquidity risk and a common approach to analyse liquidity risk, which incorporates a sub-fund’s liabilities and assets.

The modelling of liquidity risk measures would be evaluated taking into account of events and variables that can be influential to the sub-funds:

- on the macro-economic level, reduction of the market liquidity following to factors such as geopolitical events; or
- on the micro-economic level, rumours or default of external leading market participants, but also failures of the Management Company itself which can generate an adverse effect on reputation.

In this context, any sub-fund is potentially subject to both external and internal events and consequently can have an impact on the value of its assets and on the behaviour of its investors.

Based on identified events, the Management Company simulates generic impacts on sub-funds within normal liquidity conditions and facilitates decisions making for the Board of Directors of the Company.

The Management Company has also developed liquidity measures applicable to UCITS:

The first measure assigns to each UCITS an intrinsic liquidity level, through a qualitative scoring method with the structure of its assets and the liabilities distribution / concentration.

The second measure analyses in a quantitative and dynamic way regarding the sensitivity of portfolios variables to liquidity (such as processed quantities, instruments quoted price, credit rating, country of the issuer, investors' concentration) and to simulate possible deformations and to compute an amount of losses in normal liquidity conditions.

The Management Company has put in place a classification of sub-fund based on the liquidity risk level of each sub-fund. This classification is divided into 5 different levels in relation to the potential risk of sub-funds. Each level depends on the liquidity risk level calculation.

The categorisation of the financial instruments will be updated regularly to account for market evolution. The liquidity measure will be calculated and controlled by the relevant risk manager on a monthly basis. Each time a sub-fund has a category change, it will be analysed further by the risk manager and will consequently involve a discussion with the fund manager.

In a case of significant degradation of liquidity or an inability to resolve an issue, the matter can be raised to the senior management. If the issue persists or is deemed a material problem, then it can be raised to the Board of Directors of the Company to seek an appropriate solution.

The process, the calculations and the regular reportings have been integrated and performed by the internal dedicated software CRGE.

Where appropriate, the Management Company will conduct periodic stress tests which enable assessment of potential risks to each sub-fund.

Hong Kong investors may contact the Hong Kong Representative for further information regarding the RMP employed by the Management Company of the Company.

### **Key Investor Information Document(s) (the “KIID”)**

Investors should note that the ‘KIID’ mentioned in the Prospectus is available on request directly from the registered office of the Company which will be sent to the requesting Hong Kong investor under a personalised cover. Such ‘KIID’ must be read together with this Hong Kong Covering Document and Information for Hong Kong Investors and the Prospectus.

The KIID' are **not** authorised by the SFC in Hong Kong, are not intended to be, and shall not in any event be interpreted as, constituting or forming part of the offering document of the Company in Hong Kong and accordingly should not be relied upon by Hong Kong investors.

Hong Kong investors should read this document together with the latest Prospectus before making any investment decision. Investors are reminded that investment involves risks.

### **Reference to website(s) in the Prospectus**

Hong Kong investors and shareholders should note that any website(s) mentioned in the Prospectus has not been reviewed or approved by the SFC and may contain information of sub-funds that are **not** authorised by the SFC and may not be offered to the retail public in Hong Kong. You should exercise caution accordingly.

### **Hong Kong Representative**

The Hong Kong Representative of the Company is BNP Paribas Investment Partners Asia Limited and its business address is at 30/F, Three Exchange Square, 8 Connaught Place, Central, Hong Kong. The Hong Kong Representative has been appointed by the Company, pursuant to a Hong Kong Representative Agreement (the “**Hong Kong Representative Agreement**”), to represent the Company in Hong Kong.

### **Documents available for inspection**

For as long as the Company and the relevant sub-fund maintains its authorisation with the SFC, under Section 104 of the SFO, copies of the following documents in relation to the Company will be available for inspection free of charge (and copies obtained upon request upon payment of a reasonable fee) at the offices of the Hong Kong Representative at the address given above, during normal business hours on any Hong Kong business day:

- 1) The Articles of Association of the Company;
- 2) The latest annual report and the latest semi-annual report if more recent than the former;
- 3) The Management Company Services Agreement and its Amendment entered into between the Company and BNP Paribas Investment Partners Luxembourg;
- 4) The Custodian and Principal Paying Agency Agreement entered into between the Company and the Custodian Bank;
- 5) The Sub-Registrar and Transfer Agency Agreement entered into between BNP Paribas Investment Partners Luxembourg and BNP Paribas Securities Services, Luxembourg Branch;
- 6) The Delegation of Management Agreements concluded between the Management Company on the one hand and the various Investment Managers on the other;
- 7) The Hong Kong Representative Agreement;
- 8) The Risk Management Procedure of the Management Company;
- 9) Compositions of the latest dividends of the sub-funds; and

- 10) Latest list of Investment Managers that are managing the sub-funds which are authorised in Hong Kong.

This document is dated April 2017



# PARVEST

An open-ended investment company  
Incorporated under Luxembourg Law

## Prospectus

November 2016





**INFORMATION REQUESTS****PARVEST**

10 rue Edward Steichen  
L-2540 Luxembourg  
Grand Duchy of Luxembourg

**NOTICE**

This Prospectus may not be used for the purpose of an offer or solicitation to sell in any country or any circumstance in which such an offer or entreaty is not authorised.

The Company is approved as an Undertaking for Collective Investment in Transferable Securities (UCITS) in Luxembourg. It is specifically authorised to market its shares in Luxembourg, Austria, Bahrain, Belgium, Chile, Cyprus, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hong Kong, Hungary, Ireland, Italy, Jersey, Liechtenstein, Macau, Malta, the Netherlands, Norway, Peru, Poland, Portugal, Singapore, Slovakia, South Korea, Spain, Sweden, Switzerland, Taiwan and the United Kingdom. Not all the sub-funds, categories, or classes of shares are necessarily registered in these countries. It is vital that before subscribing, potential investors ensure that they are informed about the sub-funds, categories, or classes of shares that are authorised to be marketed in their country of residence and the constraints applicable in each of these countries.

In particular, the Company's shares have not been registered in accordance with any legal or regulatory provisions in the United States of America. Consequently, this document may not be introduced, transmitted or distributed in that country, or its territories or possessions, or sent to its residents, nationals, or any other companies, associations, employee benefit plans or entities whose assets constitute employee benefit plan assets whether or not subject to the United States Employee Retirement Income Securities Act of 1974, as amended (collectively, "Benefit Plans"), or entities incorporated in or governed by the laws of that country. Furthermore, the Company's shares may not be offered or sold to such persons.

In addition, no one may issue any information other than that presented in the Prospectus or the documents mentioned in it, which may be consulted by the public. The Company's Board of Directors vouches for the accuracy of the information contained in the Prospectus on the date of publication.

Lastly, the Prospectus may be updated to take account of additional or closed sub-funds or any significant changes to the Company's structure and operating methods. Therefore, subscribers are recommended to request any more recent documents as mentioned below under "Information for Shareholders". Subscribers are also recommended to seek advice on the laws and regulations (such as those relating to taxation and exchange control) applicable to the subscription, purchase, holding and redemption of shares in their country of origin, residence or domicile.

The Prospectus is only valid if accompanied by the latest audited annual report as well as the latest interim report if the latter is more recent than the annual report.



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An information section is available relating to each particular sub-fund. It specifies each sub-fund's investment policy and objective, the features of the shares, their accounting currency, valuation day, methods of subscription, redemption and/or conversion, applicable fees and costs, and, if applicable, the history and other specific characteristics of the sub-fund in question. Investors are reminded that, unless otherwise stated in Book II, the general regulations stipulated in Book I will apply to each sub-fund.



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## GENERAL INFORMATION

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### REGISTERED OFFICE

PARVEST  
10 rue Edward Steichen  
L-2540 Luxembourg  
Grand Duchy of Luxembourg

### THE COMPANY'S BOARD OF DIRECTORS

#### Chairman

Mr Philippe MARCHESSAUX, Chief Executive Officer, BNP Paribas Investment Partners, Paris

#### Members

Mr Marnix ARICKX, Chief Executive Officer, BNP Paribas Investment Partners Belgium, Brussels  
Mrs Marianne DEMARCHI, Head of Group Networks, BNP Paribas Investment Partners, Paris  
Mr Anthony FINAN, Deputy-Head of Distributors Business Line, BNP Paribas Investment Partners, Paris  
Mr François HULLO, Head of External Distribution, BNP Paribas Investment Partners, Paris  
Mr Christian VOLLE, Chairman of the "Fondation pour l'Art et la Recherche", Paris

#### Managing Director

Mr Anthony FINAN, Deputy-Head of Distributors Business Line, BNP Paribas Investment Partners, Paris

#### Company Secretary (non-member of the Board)

Mr Stéphane BRUNET, Chief Executive Officer, BNP Paribas Investment Partners Luxembourg, Luxembourg

### MANAGEMENT COMPANY

BNP Paribas Investment Partners Luxembourg  
10 rue Edward Steichen  
L-2540 Luxembourg  
Grand Duchy of Luxembourg

BNP Paribas Investment Partners Luxembourg is a Management Company as defined by Chapter 15 of the Luxembourg Law of 17 December 2010 concerning undertakings for collective investment.

The Management Company performs the administration, portfolio management and marketing duties.

### THE MANAGEMENT COMPANY'S BOARD OF DIRECTORS

#### Chairman

Mr Anthony FINAN, Deputy-Head of Distributors Business Line, BNP Paribas Investment Partners, Paris

#### Members

Mrs Sylvie BAIJOT, Deputy Chief Executive Officer, BNP Paribas Investment Partners Luxembourg, Luxembourg  
Mr Pascal BIVILLE, Head of Strategy and Finance, BNP Paribas Investment Partners, Paris  
Mr Stéphane BRUNET, Chief Executive Officer, BNP Paribas Investment Partners Luxembourg, Luxembourg  
Mr Fabrice SILBERZAN, Chief Operations Officer, BNP Paribas Investment Partners, Paris  
Mr Carlo THILL, Chairman of the Management Board, BGL BNP Paribas Luxembourg, Luxembourg

### NAV CALCULATION

BNP Paribas Securities Services-Luxembourg Branch  
60 avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### TRANSFER AND REGISTRAR AGENT

BNP Paribas Securities Services - Luxembourg Branch  
60 avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### DEPOSITARY / PAYING AGENT

BNP Paribas Securities Services - Luxembourg Branch  
60 avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg



## STRATEGIC COMMITTEE

### Chairman

Mr William DE VIJDER, Group Chief Economist for BNP Paribas, Paris

### Members

Mr Hervé CAZADE, Head of Savings and Financial Security – Retail Banking, France, BNP Paribas Assurance, Paris

Mr Guy de FROMENT, Director, Impax Group, Plc. London

Mr Gilles de VAUGRIGNEUSE, Vice Chairman, GINJER AM, Paris

Mr Vincent LECOMTE, Co-CEO, Wealth Management, BNP Paribas, Paris

Mr Olivier MAUGARNY, Head of Products and Services - Wealth Management, BNP Paribas, Paris

Mrs Sofia MERLO, Co-CEO, Wealth Management, BNP Paribas, Paris

Mr Carlo THILL, Chairman of the Management Board, BGL BNP Paribas Luxembourg, Luxembourg

ASR Nederland N.V., represented by Mr Jack Th. M. JULICHER, Utrecht

BGL BNP Paribas S.A., represented by Mr Hubert MUSSEAU, Luxembourg

BNP Paribas Fortis, represented by Mr Peter VANDEKERCKHOVE, Brussels

## INVESTMENT MANAGERS

BNP Paribas Group management entities:

- **Alfred Berg Kapitalforvaltning AS**  
Olav V gate 5, NO-0161 Oslo, Norway  
A Norwegian Company, incorporated on 19 November 1989
- **Alfred Berg Kapitalförvaltning AB**  
Nybrokajen 5, SE-10725 Stockholm, Sweden  
A Swedish Company, incorporated on 18 August 1993
- **BNP Paribas Asset Management S.A.S**  
1 boulevard Haussmann, F-75009 Paris, France  
A French company, incorporated on 28 July 1980
- **BNP Paribas Investment Partners Asia Ltd.**  
30/F Three Exchange Square, 8 Connaught Place, Central, Hong-Kong  
A Hong Kong company, incorporated on 29 October 1991
- **BNP Paribas Investment Partners Australia Ltd.**  
60 Castlereagh Street, NSW 2000, Sydney, Australia  
An Australian company, incorporated on 4 June 1982
- **BNP Paribas Asset Management Brasil Ltda**  
Av. Juscelino Kubitschek 510-11 Andar, 04543-00 Sao Paulo – SP, Brazil  
A Brazilian company, incorporated on 20 May 1998
- **BNP Paribas Investment Partners Japan Ltd.**  
Gran Tokyo North Tower, 9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-6739, Japan  
A Japanese company, incorporated on 9 November 1998
- **BNP Paribas Investment Partners Nederland N.V.**  
Herengracht 595, PO box 71770, NL-1008 DG Amsterdam, The Netherlands  
A Dutch company, incorporated on 30 December 1966
- **BNP Paribas Investment Partners Singapore Limited**  
20 Collyer Quay Tung Center #01-01, Singapore 049319  
A Singapore company incorporated on 22 December 1993
- **BNP Paribas Investment Partners UK Ltd.**  
5 Aldermanbury Square, London EC2V 7BP, United Kingdom  
A UK company incorporated on 27 February 1990
- **CamGestion S.A**  
1 boulevard Haussmann, F-75009 Paris, France  
A French company, incorporated on 7 January 1997
- **Fischer Francis Trees & Watts, Inc.**  
200 Park Avenue, 11<sup>th</sup> floor, New York, NY 10166, USA  
An US company, incorporated on 24 August 1972
- **Shinhan BNP Paribas Asset Management Co. Ltd.**  
23-2, Yoido Dong Youngdeungpo, Goodmorniong Shinhan Tower 18F, Seoul, 150-712, Korea  
A Korean company, incorporated on 1 August 1996
- **TEB Portföy Yönetimi A.Ş.**  
Gayrettepe Mahallesi Yener Sokak n° 1 Kat. 9 Besiktas 34353 Istanbul, Turkey  
A Turkish company, incorporated on November 1999
- **THEAM S.A.S**  
1 boulevard Haussman, F-75009 Paris, France  
A French company, incorporated on 27 December 1999



Non-group management entities:

- **Arnhem Investment Management Pty Ltd.**  
 Royal Exchange Building, Level 13, 56 Pitt Street, Sydney NSW 2000, Australia  
 An Australian company, incorporated on 8 February 2008.  
 Acting as manager for the "Equity Australia" sub-fund
- **Fairpointe Capital LLC**  
 One North Franklin Street, Suite 3300, Chicago, IL 60606, USA  
 A US company, incorporated on 14 December 2010  
 Acting as manager for the "Equity USA Mid Cap" sub-fund
- **Herndon Capital Management, LLC**  
 191 Peachtree Street NE, Suite 2500, Atlanta, GA 30303 USA  
 A US company, incorporated and registered with the SEC since 8 October 2001  
 Acting as manager for the "Equity USA Value" sub-fund
- **Impax Asset Management Limited**  
 Norfolk House, 31 St James's Square, London, SW1Y 4JR, United Kingdom  
 A UK company, incorporated on 10 June 1998  
 Acting as manager for the "Aqua", "Climate Impact", "Global Environment" and "SMaRT Food" sub-funds
- **River Road Asset Management, LLC**  
 462 South Fourth Street, Suite 1600 Louisville, Kentucky 40202-3466  
 An US company incorporated on 10 March 2005  
 Acting as manager for the "Equity High Dividend USA" sub-fund and as sub-manager for the "US High Dividend equities" in the "Multi-Asset Income" sub-fund
- **Sumitomo Mitsui Asset Management Co. Ltd.**  
 Atago Green Hills, Mori Tower, 28F, 2-5-1 Atago Minato-ku, Tokyo 105-6228, Japan  
 A Japanese company, incorporated on 1<sup>st</sup> December 2002  
 Acting as manager for the "Equity Japan Small Cap" sub-fund

#### ADVISORS

- **FundQuest Advisor**  
 1 boulevard Haussmann, F-75009 Paris, France  
 A French company, incorporated on 21 October 1994  
 Acting as advisor for the selection of non-group investment managers
- **TEB Portföy Yönetimi A.Ş.**  
 Gayrettepe Mahallesi Yener Sokak n° 1 Kat. 9 Besiktas 34353 Istanbul, Turkey  
 A Turkish company, incorporated on November 1999  
 Acting as advisor for the "Equity Europe Emerging" sub-fund and the Turkish equity in the Equity Emerging Europe pocket of the "Multi-Asset Income Emerging" sub-fund.

#### GUARANTOR

BNP PARIBAS  
 16 boulevard des Italiens  
 F-75009 Paris  
 France

The sub-fund which benefits from a guarantee is "STEP 90 Euro".

#### AUDITOR

PricewaterhouseCoopers, Société coopérative  
 2 rue Gerhard Mercator  
 B.P. 1443  
 L-1014 Luxembourg  
 Grand Duchy of Luxembourg

#### ARTICLES OF ASSOCIATION

The Company was incorporated on 27 March 1990 and a notice was published in the *Mémorial, Recueil Spécial des Sociétés et Associations* (the "*Mémorial*").

The Articles of Association have been modified at various times, most recently at the Extraordinary General Meeting held on 25 April 2016, with publication in the *Mémorial* on 17 June 2016.

The latest version of the Articles of Association has been filed with the Trade and Companies Registrar of Luxembourg, where any interested party may consult it and obtain a copy (website [www.rcsl.lu](http://www.rcsl.lu)).



## TERMINOLOGY

For purposes of this document, the following terms shall have the following meanings. The below terminology is a generic list of terms. Some of them may therefore not be used in the present document.

<b><u>Absolute Return Investments:</u></b>	Investments seek to make positive returns by employing investment management techniques that differ from traditional mutual funds, such as short selling, futures, options, financial derivative instruments, arbitrage, and leverage.
<b><u>Accounting Currency:</u></b>	Currency in which the assets of a sub-fund are stated for accounting purposes, which may be different of the share category valuation currency
<b><u>Active Trading:</u></b>	Subscription, conversion, or redemption in the same sub-fund over a short period of time and involving substantial amounts, usually with the aim of making a quick profit. This activity is prejudicial to other shareholders as it affects the sub-fund's performance and disrupts management of the assets.
<b><u>ADR / GDR:</u></b>	ADR / GDR refer to all categories of American Depositary Receipts and Global Depositary Receipts, mirror substitutes for shares which cannot be bought locally for legal reasons. ADRs and GDRs are not listed locally but on such markets as New York or London and are issued by major banks and/or financial institutions in industrialised countries in return for deposit of the securities mentioned in the sub-fund's investment policy.
<b><u>Alternatives Investments:</u></b>	Investments outside of the traditional asset classes of equities, debt securities and cash: they include UCITS/UCIs with alternative strategies in so far as they fulfil the requirements of paragraph 1. point e) of the Appendix 1 of the Book I of the Prospectus, Managed Futures, Real Estate Investments, Commodities Investments, Inflation-linked Products and Derivatives Contracts. Alternative investments strategies may pursue the following strategies: Equity Long / Short, Equity Market Neutral, Convertible Arbitrage, Fixed Income Arbitrage (yield curve arbitrage or corporate spread arbitrage), Global Macro, Distressed Securities, Multi-strategy, Managed Futures, Take-over / merger arbitrage, Volatility arbitrage, Total Return.
<b><u>Asset-Backed Securities (ABS):</u></b>	Securities backed by the cash flows of a pool of assets (mortgage and non-mortgage assets) such as home equity loans, company receivables, truck and auto loans, leases, credit card receivables and student loans. ABS are issued in tranching format or as pass-through certificates, which represent undivided fractional ownership interests in the underlying pools of assets. Therefore, repayment depends largely on the cash flows generated by the assets backing the securities.
<b><u>Asset Securitisation:</u></b>	Financial package (off-balance sheet) which consists of issuing securities backed to a basket of assets (mortgages: residential and commercial mortgages, consumer loans, automobile loans, student loans, credit card financing, equipment loans and leases, business trade receivables, inventories among others) and based on the quality of the collateral they offer or their level of risk. The underlying assets are virtually "transformed" into securities, hence "securitisation".
<b><u>Agency – Non Agency MBS:</u></b>	Securities that are issued by structures set up by government-sponsored enterprises like Fannie Mae or Freddie Mac are called "agency" MBS; securities issued by structures set up by investment banks "private-label" are called "non agency" MBS.
<b><u>Authorised Investors:</u></b>	Investors specially approved by the Board of Directors of the Company
<b><u>CDS:</u></b>	Credit Default Swap
<b><u>CFD:</u></b>	Contract for Difference
<b><u>Circular 08/356:</u></b>	Circular issued by the CSSF on 4 June 2008 concerning the rules applicable to undertakings for collective investment when they utilise certain techniques and instruments based on transferable securities and money market instruments. This document is available on the CSSF website ( <a href="http://www.cssf.lu">www.cssf.lu</a> ).
<b><u>Circular 11/512:</u></b>	Circular issued by the CSSF on 30 May 2011 concerning: a) The presentation of the main regulatory changes in risk management following the publication of the CSSF Regulation 10-4 and ESMA clarifications; b) Further clarification from the CSSF on risk management rules; c) Definition of the content and format of the risk management process to be communicated to the CSSF. This document is available on the CSSF website ( <a href="http://www.cssf.lu">www.cssf.lu</a> ).
<b><u>Circular 14/592:</u></b>	Circular issued by the CSSF on 30 September 2014 concerning ESMA guidelines on ETF and other UCITS issues. This document is available on the CSSF website ( <a href="http://www.cssf.lu">www.cssf.lu</a> ).
<b><u>Closed-ended REIT:</u></b>	Real Estate Investment Trust which complies with the provisions of article 2 of the Grand Ducal Regulation dated 8 February 2008, the units of which are listed on a Regulated Market is classified as a transferable security listed on a Regulated Market, investments in closed-ended REITs which are not listed on a Regulated Market, are currently limited to 10% of the net assets of a sub-fund.
<b><u>Collateralised Bond Obligation (CBO):</u></b>	Bonds backed by a collection of low-grade debt securities (such as junk bonds); CBOs are separated into tranches based on various levels of credit risk (called tiers) that are determined by the quality of bonds involved. When issuing CBO, the issuer can post more collateral than necessary in an attempt to obtain a better debt rating from a credit rating agency (overcollateralization).





**Collateralised Debt Obligation (CDOs):**

A structured financial product that pools together cash flow-generating assets and repackages this asset pool into discrete tranches that can be sold to investors. A collateralised debt obligation (CDO) is so-called because the pooled assets, such as mortgages, bonds and loans, are essentially debt obligations that serve as collateral for the CDO. The tranches in a CDO vary substantially in their risk profile. The senior tranches are relatively safer because they have first priority on the collateral in the event of default. As a result, the senior tranches of a CDO generally have a higher credit rating and offer lower coupon rates than the junior tranches, which offer higher coupon rates to compensate for their higher default risk. CDOs include CBOs, CLOs and CMOs.

**Collateralised Loan Obligation (CLO):**

A security backed by a pool of bank (commercial or personal) loans (often low-rated corporate loans) structured so that there are several classes of bondholders with varying credit qualities called tranches.

**Collateralised Mortgage Obligation (CMOs):**

A type of MBS created by redirecting the cash flows from underlying pools of mortgages to different classes of bonds called tranches. The redistribution of scheduled principal, unscheduled principal and interest from the underlying mortgage pool to different tranches creates securities with different coupon rates, average lives and price sensitivities. Consequently, these instruments can be used to match an investor's particular risk and return objectives more closely.

**Commercial (or Collateralised) Mortgage Backed Security (CMBS):**

A security created by pooling a group of (non-residential) mortgages on commercial real estate, office building, warehousing facilities, multi-family real estate. CMBS are structured so that there are several classes of bondholders with varying credit qualities called tranches.

**Commodities Investments:**

Investments in instruments based on commodities

**Company Name:**

PARVEST

**Contingent Convertible:**

A Contingent Convertible is a type of subordinated debt for banks designed to absorb large loss threatening the capital, via an automatic conversion into equity. Contingent Convertibles can be Tier 1 or Tier 2 instruments.

**Contingent Convertible Characteristics**

- Trigger: the automatic conversion into equity is triggered by the level of Common Equity Tier 1 (CET1) capital, which can be high (around 7%), or low (5.125%) in 2014. As such, low trigger Contingent Convertibles are less risky than high triggers.
- Loss Absorption Mechanism: it is the mode of transformation of the debt instrument into core equity. It can be a conversion into shares for listed banks, or a write-down (the bank books a capital gain in its Profits & Losses balance sheet). Write-downs can be full or partial, permanent or temporary. In case of temporary write-down, later write-ups are possible under certain conditions.
- Coupons: Tier 1 Contingent Convertibles are with fully discretionary and not cumulative coupons, whereas Tier 2 Contingent Convertibles have coupon that have to be paid ("Must Pay"). In addition, if the capital ratios of the bank get too close to a regulatory minimum (10-12% in 2014) depending on banks), coupons are subject to mandatory cancellation. They are reset every five years, when the Contingent Convertible is callable.
- Maturity: Tier 2 Contingent Convertibles are dated, and can be entirely paid all at once on the maturity date (bullet) or can be redeemed any time before reaching maturity date (callable). Tier 1 Contingent Convertibles are perpetual, usually with a call option every five years.
- Point Of Non Viability (PONV): this is the moment when the banks' supervisory authorities decide that the bank is facing liquidity problems and subsequently take control and take actions to solve this issue. The determination of the PONV is left to the National banks' supervisory authorities on a case by case basis.

**Additional Tier 1 Capital (AT1)**

is made up of:

- Subordinated and perpetual Tier 1 capital instruments issued by a bank that are not included in CET1;
- Share premium resulting from the issue of AT1 capital instruments;
- Instruments issued by consolidated bank subsidiaries and held by third parties. The instruments must meet AT1 capital requirements criteria and not included in CET1;
- Regulatory adjustments applied in the calculation of AT1.

**Common Equity Tier 1 (CET1)**

A measurement of a bank's core equity capital compared with its total risk-weighted assets. This is the measure of a bank's financial strength. The Tier 1 common capital ratio excludes any preferred shares or non-controlling interests when determining the calculation.

**Tier 1 capital**

It includes only permanent shareholders' equity (issued and fully-paid ordinary shares/common stock and perpetual non-cumulative preference shares) and disclosed reserves (created or increased by appropriations of retained earnings or other surplus, e.g. share premiums, retained profit, general reserves and legal reserves). Disclosed reserves also include general funds (Basle Capital Accord).

**Tier 2 capital**

It is designated as "supplementary capital", and is composed of items such as undisclosed reserves, revaluation reserves, general provisions/general loan-loss reserves, hybrid (debt/equity) capital instruments





and subordinated term debt. Tier 2 capital is the secondary component of bank capital, in addition to Tier 1 capital, that makes up a bank's required reserves.

**CSSF:**

*Commission de Surveillance du Secteur Financier*, the regulatory authority for UCI in the Grand Duchy of Luxembourg

**Currencies:**

<b><u>AUD:</u></b>	Australian Dollar
<b><u>BRL:</u></b>	Brazilian Real
<b><u>CAD:</u></b>	Canadian Dollar
<b><u>CHF:</u></b>	Swiss Franc
<b><u>CNH:</u></b>	Chinese Yuan Renminbi Offshore (outside of China)
<b><u>CNY:</u></b>	Chinese Yuan Renminbi Onshore
<b><u>CZK:</u></b>	Czech Koruna
<b><u>EUR:</u></b>	Euro
<b><u>GBP:</u></b>	British Pound
<b><u>HUF:</u></b>	Hungary Forint
<b><u>HKD:</u></b>	Hong Kong Dollar
<b><u>IDR:</u></b>	Indonesian Rupiah
<b><u>JPY:</u></b>	Japanese Yen
<b><u>NOK:</u></b>	Norwegian Krone
<b><u>PLN:</u></b>	Polish Zloty
<b><u>RMB:</u></b>	Chinese Renminbi, unless otherwise stipulated refers either to CNY traded onshore or CNH traded offshore. Both may have a value significantly different to each other since currency flows in/out of mainland China are restricted.
<b><u>RUB:</u></b>	Russian Ruble
<b><u>SEK:</u></b>	Swedish Krona
<b><u>SGD:</u></b>	Singapore Dollar
<b><u>USD:</u></b>	US Dollar

**Directive 78/660:**

European Council Directive 78/660/EEC of 25 July 1978 concerning the annual accounts of certain forms of companies, as amended

**Directive 83/349:**

European Council Directive 83/349/EEC of 13 June 1983 concerning consolidated accounts, as amended

**Directive 2004/39:**

European Council Directive 2004/39/EC of 21 April 2004 on markets in financial instruments

**Directive 2006/48:**

European Council Directive 2006/48/EC of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions

**Directive 2009/65:**

European Council Directive 2009/65/EC of 13 July 2009 regarding the coordination of legislative, regulatory and administrative provisions concerning undertakings for collective investment in transferable securities (UCITS IV) as amended by the Directive 2014/91

**Directive 2011/16:**

European Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation.

**Directive 2014/91:**

European Parliament and of the Council Directive 2014/91/EU on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions (UCITS V) amending the Directive 2009/65

**Directive 2014/107:**

European Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16 as regards mandatory automatic exchange of information in the field of taxation.

**Distressed (default) securities:**

Financial instruments of companies or government entities or central bank that is near or is currently going through default and or bankruptcy (inability to meet financial obligations; reorganisation, restructuring). As a result, this financial instrument suffers a substantial reduction in value (when yield to maturity is greater than 8% to 10% above the risk free rate of return and or when rated CCC or below). Distressed securities include corporate bonds, common and preferred shares, bank debt, trade claims (goods owed), warrants, convertible bonds.

**Distribution Fee:**

Fee calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class, paid to the Management Company and serving to cover remuneration of the distributors, supplemental to the share of the management fee that they receive

**EDS:**

Equity Default Swap

**EEA:**

European Economic Area

**Emerging markets:**

non OECD countries prior to 1 January 1994 together with Turkey and Greece

In the Emerging markets, 2 different categories may be identified by the main providers of indices:

- Frontier markets: a sub-category of emerging markets designating growing economies with widely varying characteristics in terms of development, growth, human capital, demographics and political openness.



- Advanced emerging markets: a sub-category of countries in the group of emerging markets gathering the best ranked countries in terms of market efficiency, regulatory environment, custody and settlement procedures and dealing tools available.

<b><u>Equity:</u></b>	A stock or any other security representing an ownership interest.
<b><u>Equity equivalent security:</u></b>	ADR, GDR and investment certificates
<b><u>ESMA:</u></b>	European Securities and Markets Authority
<b><u>ESMA/2011/112:</u></b>	Guidelines to competent authorities and UCITS management companies on risk measurement and the calculation of global exposure for certain types of structured UCITS issued by the ESMA on April 14, 2011. This document is available on the ESMA website ( <a href="http://www.esma.europa.eu">www.esma.europa.eu</a> ).
<b><u>Extraordinary Expenses:</u></b>	Expenses other than management, performance, distribution and other fees described below borne by each sub-fund. These expenses include but are not limited to director fees, legal fees, taxes, assessments or miscellaneous fees levied on sub-funds and not considered as ordinary expenses.
<b><u>HELOC:</u></b>	Home Equity Line of Credit: A line of credit extended to a homeowner that uses the borrower's home as collateral. Once a maximum loan balance is established, the homeowner may draw on the line of credit at his or her discretion. Interest is charged on a predetermined variable rate, which is usually based on prevailing prime rates.
<b><u>High Yield Bonds:</u></b>	These bond investments correspond to the ratings assigned by the rating agencies for borrowers rated below BBB- on the Standard & Poor's or Fitch rating scale and below Baa3 on the Moody's rating scale. Such high-yield bond issues are loans that generally take the form of bonds with a 5-, 7- or 10-year maturity. The bonds are issued by companies with a weak financial base. The return on the securities, and their level of risk, is significant, making them highly speculative. In the case, of securities rated by two or more agencies, the worst rate available will be considered.
<b><u>Hybrid Security:</u></b>	A single financial security that combines two or more different financial instruments. Hybrid securities, often referred to as "hybrids," generally combine both debt and equity characteristics. The most common type of hybrid security is a convertible bond that has features of an ordinary bond but is heavily influenced by the price movements of the stock into which it is convertible.
<b><u>Indirect Fee:</u></b>	Ongoing charges incurred in underlying UCITS and/or UCIs the Company is invested in and included in the Ongoing Charges mentioned in the KIID
<b><u>Institutional Investors:</u></b>	Legal entities who hold their own account or hold an account on behalf of physical persons in connection with a group savings scheme or an equivalent scheme and UCI. Portfolio managers subscribing within the scope of discretionary individual portfolios management mandates are not included in this category ("Managers").
<b><u>Investment Grade Bonds:</u></b>	These bond investments correspond to the ratings assigned by the rating agencies for borrowers rated between AAA and BBB- on the Standard & Poor's or Fitch rating scale and Aaa and Baa3 on the Moody's rating scale. In the case of securities rated by two agencies, the best rating among the two available will be taken. In the case of securities rated by three agencies, the two best ratings among the three available will be taken.
<b><u>IRS:</u></b>	Interest Rate Swap
<b><u>KIID:</u></b>	Key Investor Information Document
<b><u>Law:</u></b>	Luxembourg law of 17 December 2010 concerning undertakings for collective investment. This law implements Directive 2009/65/EC (UCITS IV) of 13 July 2009 into Luxembourg law.
<b><u>Law of 10 August 1915:</u></b>	Luxembourg law of 10 August 1915 on commercial companies, as amended
<b><u>Mainland China Securities:</u></b>	Securities traded in People's Republic of China included but not limited to China 'A' Shares (Shares listed in CNY in the Shanghai or Shenzhen stock exchanges and which are exclusively reserved to Chinese or eligible foreign investors), China 'B' Shares (Shares listed in foreign currencies in the Shanghai or Shenzhen stock exchanges and reserved to foreign investors) and/or any other equities and debt securities issued or settled in CNY and/or P-Notes linked to those securities. China 'H' shares (Shares listed in HKD in Hong Kong Stock exchange) are not concerned.
<b><u>Management Fee:</u></b>	Fee calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class, paid to the Management Company and serving to cover remuneration of the asset managers and also distributors in connection with the marketing of the Company's stock.
<b><u>Managers:</u></b>	Portfolio managers subscribing within the scope of discretionary individual portfolios management mandates.
<b><u>Market Timing:</u></b>	Arbitrage technique whereby an investor systematically subscribes and redeems or converts units or shares in a single UCITS within a short space of time by taking advantage of time differences and/or imperfections or deficiencies in the system of determining the NAV of the UCITS. This technique is not authorised by the Company.
<b><u>Money Market Instruments:</u></b>	Instruments normally dealt on the money market that are liquid and whose value can be accurately determined at any time.
<b><u>Money Market Fund:</u></b>	Money markets funds compliant with ESMA guidance (CESR/10-049 of 19 May 2010)



**Mortgage Backed Security (MBS):**

also known as "mortgage-related security". A type of security that is backed (collateralised) by a mortgage loan or collection of mortgages loan with similar characteristics. These securities usually pay periodic payments that are similar to coupon payments; the mortgage must have originated from a regulated and authorized financial institution. Mortgage securities are backed by a wide variety of loans with generally 4 borrower characteristics (agency mortgages, prime jumbo mortgages, Alt-A mortgages and subprime mortgages).

Loans that satisfy the underwriting standard of the agencies are typically used to create RMBS that are referred to as agency mortgage-backed securities (MBS). All other loans are included in what is referred to generically as non-agency MBS; the agency MBS market includes three types of securities:

- agency mortgage pass-through securities
- agency collateralized mortgage obligations (CMOs)
- agency stripped MBS

**NAV:**

Net Asset Value

**OECD:**

Organisation for Economic Co-operation and Development

**OTC:**

Over The Counter

**Other Fees:**

Fees calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class and serving to cover general custody assets expenses (remuneration of the Depositary) and daily administration expenses (NAV calculation, record and book keeping, notices to the shareholders, providing and printing the documents legally required for the shareholders, domiciliation, auditors cost and fees...), except for brokerage fees, commissions for transactions not related to the deposit, director fees, interest and bank fees, extraordinary expenses, reporting cost in relation with regulation requirements including the European Market Infrastructure Regulation (EMIR), and the *taxe d'abonnement* in force in Luxembourg, as well as any other specific foreign tax and other regulators levy.

**Participatory Notes (P-Notes):**

offshore OTC transferable securities issued by registered foreign institutional investors (FII) (associates of local based foreign brokerages and domestic institutional brokerages) to overseas investors, who wish to invest in some specific restricted local stock markets (India, China Shenzhen and Shanghai for China A-shares, some Middle East markets, North African markets and Korea) without registering themselves with the market regulator.

**Performance Fee:**

The positive difference between the annual performance of the sub-fund/category/class (i.e. over the accounting year) and the hurdle rate (this can be a reference index performance, a fixed rate or another reference). This fee is payable to the Management Company. The performance fee will be calculated daily and provision will be adjusted on each valuation day during the financial year with the application of the "high water mark with hurdle rate" method. Hurdle rate means the performance of a reference index (or other references) as specified at the level of the sub-fund/category/class whereas high water mark means the highest NAV of the sub-fund/category/class as at the end of any previous financial year on which performance fees becomes payable to the Management Company, after deducting any performance fee. Performance fee will be accrued if the performance of the sub-fund/category/class exceeds the hurdle rate and the high water mark. Furthermore, if shares are redeemed during the financial year, the fraction of the provisioned performance fee that corresponds to the total amount redeemed shall be granted definitively to the Management Company.

**PRC:**

People's Republic of China.

**PRC Broker:**

A broker based in the PRC selected by the Investment Manager to act on its behalf in each of the two onshore PRC securities markets.

**PRC Custodian:**

A custodian based in the PRC to locally maintain assets of the relevant sub-fund in custody.

**Prospectus:**

The present document

**Real Estate Investments:**

Investments in Real Estate certificates, shares of companies linked to Real Estate, closed-ended REITs

**Reference Currency:**

Main currency when several valuation currencies are available for a same share category

**Residential Mortgage Backed Security (RMBS):**

A type of mortgage-backed debt obligation created by banks and other financial institutions whose cash flows come from residential debt, such as mortgages, home-equity loans and subprime mortgages.

**RQFII:**

Renminbi Qualified Foreign Institutional Investor pursuant to the RQFII Regulations.

**RQFII Regulations:**

The PRC (People's Republic of China) laws, rules, regulations, circulars, orders, notices, directives or directions formulated specifically to deal with RQFII, as may be promulgated and/or amended from time to time.

**RQFII sub-funds:**

Collective investment schemes which can fully or partially invest into mainland Chinese domestic securities via the RQFII License: "Bond RMB", "Convertible Bond Asia", "Convertible Bond World", "Equity China" and "Multi-Asset Income China" sub-funds.



**Stock Connect :**

The “Stock Connect” is a program which aims to achieve mutual stock market access between Mainland China and Hong Kong. Stock Connect is a securities trading and clearing linked program developed by Hong Kong Exchanges and Clearing Limited (“HKEx”), Shanghai Stock Exchange (“SSE”) and China Securities Depository and Clearing Corporation Limited (“ChinaClear”). Hong Kong and overseas investors (including the RQFII sub-funds), through their Hong Kong brokers and a securities trading service company to be established by The Stock Exchange of Hong Kong Limited (“SEHK”), may be able to trade certain predefined eligible shares listed on SSE by routing orders to SSE. It is expected that the list of eligible shares and stock exchanges in Mainland China in respect of Stock Connect will be subject to review from time to time. Trading under the Stock Connect will be subject to a daily quota (“Daily Quota”). The trading quota rules may be subject to review.

**STP:**

Straight-Through Processing, process transactions to be conducted electronically without the need for re-keying or manual intervention

**Structured Debt Securities:**

debt instruments created through asset securitisation which include Asset-Backed Securities (ABS), Collateralised Bond Obligation (CBO), Collateralised Debt Obligation (CDO), Collateralised Mortgage Obligation (CMO), Mortgage Backed Security (MBS), Commercial Mortgage Backed Security (CMBS), Residential Mortgage Backed Security (RMBS) and Collateralised Loan Obligation (CLO).

**To Be Announced (TBA):**

A TBA transaction is a contract for the purchase or sale of a Mortgage-Backed Security for future settlement at an agreed upon date but does not include a specified mortgage pool number, number of mortgage pools, or precise amount to be delivered.

**TRS:**

Total Return Swap

**UCI:**

Undertaking for Collective Investment

**UCITS:**

Undertaking for Collective Investment in Transferable Securities

**Valuation Currency(ies):**

Currency in which the net asset values of a sub-fund, share category, or share class are calculated. There may be several valuation currencies for the same sub-fund, share category, or share class (so called “Multi-Currency” facility). When the currency available in the share category, or share class is different from the accounting currency, subscription/conversion/redemption orders may be taken into account without suffering exchange rate charges.

**Valuation Day:**

Each open bank day in Luxembourg and subject to exceptions available in the Book II:

It corresponds also to:

- Date attached to the NAV when it is published
- Trade date attached to orders
- With regards to exceptions in the valuation rules, closing date prices used for the valuation of the underlying assets in the sub-funds portfolios

**VaR:**

Value-at-Risk, specific risk valuation method of a sub-fund (see Appendix 2)



## PARVEST

### BOOK I OF THE PROSPECTUS

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#### GENERAL PROVISIONS

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PARVEST is an open-ended investment company (*société d'investissement à capital variable* – abbreviated to “SICAV”), incorporated under Luxembourg law on 27 March 1990 for an indefinite period.

The Company is currently governed by the provisions of Part I of the Law of 17 December 2010 governing undertakings for collective investment as well as by Directive 2009/65.

The Company's capital is expressed in euros (“EUR”) and is at all times equal to the total net assets of the various sub-funds. It is represented by fully paid-up shares issued without a designated par value, described below under “The Shares”. The capital varies automatically without the notification and specific recording measures required for increases and decreases in the capital of limited companies. Its minimum capital is defined by the Law.

The Company is registered in the Luxembourg Trade Register under the number B 33 363.

The Company is an umbrella fund, which comprises multiple sub-funds, each with distinct assets and liabilities of the Company. Each sub-fund shall have an investment policy and a Accounting Currency that shall be specific to it as determined by the Board of Directors.

The Company is a single legal entity.

In accordance with Article 181 of the Law:

- the rights of shareholders and creditors in relation to a sub-fund or arising from the constitution, operation or liquidation of a sub-fund are limited to the assets of that sub-fund;
- the assets of a sub-fund are the exclusive property of shareholders in that sub-fund and of creditors where the credit arises from the constitution, operation or liquidation of the sub-fund;
- in relations between shareholders, each sub-fund is treated as a separate entity.

The Board of Directors may at any time create new sub-funds, investment policy and offering methods of which will be communicated at the appropriate time by an update to the Prospectus. Shareholders may also be informed via press publications if required by regulations or if deemed appropriate by the Board of Directors. Similarly, the Board of Directors may close sub-funds, in accordance with the provisions of Appendix 4.



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**ADMINISTRATION AND MANAGEMENT**

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The Company is directed and represented by the Board of Directors acting under the authority of the General Shareholders' Meeting. The Company outsources management, audit and asset custody services. The roles and responsibilities associated with these functions are described below. The composition of the Board of Directors and the names, addresses and detailed information about the service providers are listed above in "General Information".

The Management Company, the Investment Managers, the Depositary, the Administrative agent, Distributors and other service providers and their respective affiliates, directors, officers and shareholders are or may be involved in other financial, investment and professional activities that may create conflicts of interest with the management and administration of the Company. These include the management of other funds, purchases and sales of securities, brokerage services, depositary and safekeeping services, and serving as directors, officers, advisors or agents for other funds or other companies, including companies in which a sub-fund may invest. Each of the Parties will ensure that the performance of their respective duties will not be impaired by any such other involvement that they might have. In the event that a conflict of interest does arise, the Directors and the relevant Parties involved shall endeavour to resolve it fairly, within reasonable time and in the interest of the Company.

**Board of Directors**

The Board of Directors assumes ultimate responsibility for the management of the Company and is therefore responsible for the Company's investment policy definition and implementation.

The Board has granted Mr Anthony FINAN (Managing Director) and Mr Stéphane BRUNET (Company Secretary) responsibilities relating to the day-to-day management of the Company (including the right to act as an authorised signatory of the Company) and its representation.

The Board may seek assistance from the Strategic Committee in determining the Company's sales and marketing strategy.

**Management Company**

BNP Paribas Investment Partners Luxembourg was incorporated as a limited company (*société anonyme*) in Luxembourg on 19 February 1988. Its Articles of Association have been modified at various times, most recently at the Extraordinary General Meeting held on 13 April 2016 with effect on 25 April 2016, with publication in the *Mémorial* on 6 May 2016. Its share capital is EUR 3 million, fully paid up.

The Management Company performs administration, portfolio management and marketing tasks on behalf of the Company.

Under its own responsibility and at its own expense, the Management Company is authorised to delegate some or all of these tasks to third parties of its choice.

It has used this authority to delegate:

- the functions of NAV calculation, Registrar (both for registered and bearer shares) and Transfer Agent to BNP Paribas Securities Services-Luxembourg branch;
- the management of the Company's holdings, and the observance of its investment policy and restrictions, to the investment managers listed above in "General Information". A list of the investment managers effectively in charge of management and details of the portfolios managed are appended to the Company's periodic reports. Investors may request an up-to-date list of investment managers specifying the portfolios managed by each.

Investment advice is also sought from the Advisors mentioned above in "General Information".

In executing securities transactions and in selecting any broker, dealer, or other counterparty, the Management Company and any Investment Managers will use due diligence in seeking the best overall terms available. For any transaction, this will involve consideration of all factors deemed relevant, such as market breadth, security price and the financial condition and execution capability of the counterparty. An investment manager may select counterparties from within BNP Paribas so long as they appear to offer the best overall terms available.

In addition, the Management Company may decide to appoint Distributors/Nominees to assist in the distribution of the Company's shares in the countries where they are marketed.

Distribution and Nominee contracts will be concluded between the Management Company and the various Distributors/Nominees.

In accordance with the Distribution and Nominee Contract, the Nominee will be recorded in the register of shareholders in place of the end shareholders.

Shareholders who have invested in the Company through a Nominee can at any time request the transfer to their own name of the shares subscribed via the Nominee. In this case, the shareholders will be recorded in the register of shareholders in their own name as soon as the transfer instruction is received from the Nominee.

Investors may subscribe to the Company directly without necessarily subscribing via a Distributor/Nominee.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, (notably the right to participate in general shareholders' meetings) if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.





#### Remuneration policy:

The Management Company applies a sound, effective and sustainable Remuneration Policy in line with the strategy, risk tolerance, goals and values of the Company.

The Remuneration Policy is in line with and contributes to sound and effective risk management and doesn't encourage taking more risk than appropriate within the investment policy and terms and conditions of the Company.

The key principles of the remuneration policy are:

- Deliver a market-competitive remuneration policy and practice to attract, motivate and retain best performing employees;
- Avoid conflicts of interest;
- Achieve sound and effective remuneration policy & practice, avoiding excessive risk-taking;
- Ensure long-term risk alignment, and reward of long-term goals;
- Design and implement a sustainable and responsible remuneration strategy, with pay levels and structure which make economic sense for the business.

The details of the up-to-date Remuneration Policy can be found on the Website under <http://www.bnpparibas-ip.com/en/remuneration-disclosure/>, and will also be made available free of charge by the Management Company upon request.

#### Depositary

The Depositary performs three types of functions, namely

- (i) the oversight duties (as defined in Article 22.3 of the Directive 2009/65 as amended),
- (ii) the monitoring of the cash flows of the Company (as set out in Article 22.4 of the Directive 2009/65 as amended) and
- (iii) the safekeeping of the Company's assets (as set out in Article 22.5 of the Directive 2009/65 as amended). In accordance with standard banking practices and current regulations, the depositary may, under its responsibility, entrust some or all of the assets in its safekeeping to other banking establishments or financial intermediaries.

Under its oversight duties, the depositary must also ensure that:

- (a) Ensure that the sale, issue, redemption and cancellation of the Shares are conducted in accordance with the Law and these Articles of Association.
- (b) Ensure that the value of the Shares is calculated in accordance with the Law and these Articles of Association.
- (c) Carry out the instructions of the Management Company, unless they conflict with the Law or these Articles of Association.
- (d) Ensure that in transactions involving the Fund's assets, any consideration is remitted to it within the usual time limits.
- (e) Ensure that the Fund's income is applied in accordance with these Articles of Association.

The Depositary shall not carry out activities with regard to the Company or the Management Company on behalf of the Company that may create conflicts of interest between the Company, its investors, the Management Company and itself, unless the Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks.

#### Conflicts of interest

The overriding objective of the Depositary is to protect the interests of the Shareholders of the Company, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the Management Company or the Company maintains other business relationships with BNP Paribas Securities Services, Luxembourg Branch in parallel with an appointment of BNP Paribas Securities Services, Luxembourg Branch acting as Depositary. For example, in the case where BNP Paribas Securities Services, Luxembourg Branch would provide the Company and the Management Company with fund administration services, including the net asset value calculation.

In order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interest;
- Recording, managing and monitoring the conflict of interest situations either in:
- Relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members; or
- Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall (i.e. by separating functionally and hierarchically the performance of its Depositary duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.
- Implementing a deontological policy;
- Recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Company's interests; or
- Setting up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary in order to assess any situation entailing a conflict of interest.



#### Sub-delegation by the Depositary :

In order to provide custody services in a large number of countries allowing the Company to meet their investment objectives, the Depositary has appointed entities as delegates for sub-custody functions. A list of these delegates is available on the website [http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits\\_delegates\\_EN.pdf](http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits_delegates_EN.pdf), and will also be made available free of charge by the Depositary upon request.

Such list may be updated from time to time. A complete list of all delegates may be obtained, free of charge and upon request, from the Depositary.

The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment in accordance with the principles set out in the previous paragraph.

There is currently no conflict of interest arising from any delegation of the functions of safekeeping of the assets of the Company described in article 34(3) of the Law as amended. However in the event that conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the shareholders are fairly treated.

#### Independence requirement

The selection of the Depositary by the Management Company is based on robust, objective and pre-defined criteria and warrants the sole interest of the Company and its investors. Details about this selection process can be provided to investors upon request by the Management Company.

#### Auditor

All the Company's accounts and transactions are subject to an annual audit by the Auditor.





## INVESTMENT POLICY, OBJECTIVES, RESTRICTIONS AND TECHNIQUES

The Company's general objective is to provide its investors with the highest possible appreciation of capital invested while offering them a broad distribution of risks. To this end, the Company will principally invest its assets in a range of transferable securities, money market instruments, units, or shares in UCIs, credit institution deposits, and financial derivative instruments denominated in various currencies and issued in different countries.

The Company's investment policy is determined by the Board of Directors in light of current political, economic, financial and monetary circumstances. The policy will vary for different sub-funds, within the limits of, and in accordance with, the specific features and objective of each as stipulated in Book II.

The investment policy will be conducted with strict adherence to the principle of diversification and spread of risks. To this end, without prejudice to anything that may be specified for one or more individual sub-funds, the Company will be subject to a series of investment restrictions as stipulated in Appendix 1. In this respect, the attention of investors is drawn to the investment risks described in Appendix 3.

The Board of Directors has adopted a corporate governance policy that includes voting at shareholders' meetings of companies in which sub-funds invest. The main principles governing the Board's voting policy relate to a company's ability to provide shareholders with transparency and accountability with respect to the shareholders' investments and that a company should be managed to assure growth and return of the shares over the long term. The Board of Directors shall execute the voting policy in good faith taking into account the best interest of the shareholders of the investment funds. For further reference please consult also the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

Furthermore, the Company is authorised to utilise techniques and instruments on transferable securities and money market instruments under the conditions and limits defined in Appendix 2, provided that these techniques and financial derivative instruments are employed for the purposes of efficient portfolio management. When these operations involve the use of financial derivative instruments, these conditions and limits must comply with the provisions of the Law. Under no circumstances can these operations cause the Company and its sub-funds to deviate from the investment objectives as described in the Prospectus.

Unless otherwise specified in each sub-fund's investment policy, and particularly for the "STEP 90 Euro" sub-fund, no guarantee can be given on the realisation of the investment objectives of the sub-funds, and past performance is not an indicator of future performance.

"STEP 90 Euro" sub-fund guarantees to shareholders part of the net asset value achieved.

### 1. Guarantee eligibility

Pursuant to the terms of the agreement with the Guarantor, shareholders of the "STEP 90 Euro" sub-fund who ask for the redemption of their shares will see their redemption orders based on a redemption price at least equal to an applicable threshold (the "Applicable Threshold").

If the Applicable Threshold is greater than the net asset value, any "STEP 90 Euro" sub-fund shareholder requesting the redemption of its shares will be eligible to the guarantee. In such case, the Management Company and/or the Manager of the "STEP 90 Euro" sub-fund will activate the guarantee, in accordance with the procedures provided for in the Guarantee Agreement.

Moreover, subscription and conversion orders will be suspended and will resume once the net asset value exceeds or equals the Applicable Threshold during two consecutive valuation days.

### 2. Applicable Threshold settings

The Applicable Threshold is set for a maximum period of one year. Depending on the circumstances, it shall be a reference:

- Either, a percentage of the initial net asset value at launch date of the "STEP 90 Euro" sub-fund. In this case this initial threshold becomes the Applicable Threshold from the sub-fund launch date until the annual reset date (the "Reset Date") as described below;
- Or, a revised Applicable Threshold during all subsequent years in accordance with the reset procedure below:

The Applicable Threshold will be reset by the Manager according to following procedure:

- On a yearly basis at Reset Date after the launch date of the "STEP 90 Euro" sub-fund (or the Valuation Day before if the Reset Date is not a bank business day in Luxembourg),
- On any Valuation Day if the net asset value exceeds or rises by a certain percentage compared to the net asset value on the basis of which the Applicable Threshold was defined.

The Applicable Threshold may be reset downwards only at each Reset Date. Whatever the case, the manager will communicate about the reset event.

### 3. Duration of the guarantee

The guarantee begins at the sub-funds' launch date but is given by the Guarantor for a limited period of time. The Guarantor may decide to extend the guarantee, unless the Guarantor decides to terminate the Guarantee under the conditions set forth below.

The Guarantor may decide not to extend the guarantee at the end of the guarantee period or to terminate the guarantee annually at the anniversary date of the launch of the sub-fund. In this case the shareholders and the Manager of the "STEP 90 Euro" sub-fund will receive a notice at least one month prior to the termination date.

Moreover, the Guarantor may decide to terminate the guarantee in the following circumstances:

- if the "STEP 90 Euro" sub-fund is liquidated;
- if the "STEP 90 Euro" sub-fund is merged with another UCI;
- if a new Management Company or Manager is appointed or if there is a change in the control of the Management Company;
- if the investment policy has changed without approval of the Guarantor.

**If the Guarantor decides not to extend beyond the guarantee period or to terminate the guarantee, "STEP 90 Euro" sub-fund shareholders will receive a notice allowing them to ask for the redemption of their shares free of charge at least one month before the termination date or the end of the guarantee period. In such case, the redemption price will not be less than the Applicable Threshold. Shares of shareholders who do not request the redemption of their shares during the one-month notice period will be automatically redeemed on the last day of the one-month notice period, as appropriate depending on the circumstances.**

**Any decision made or approved by the Management Company to change the Manager or select a Sub-Manager shall not cause the early implementation of the guarantee.**



4. Tax consequences

The Guarantee is compliant with applicable laws and regulations in force in the Grand Duchy of Luxembourg at the "STEP 90 Euro" sub-fund launch dates.

Regulation changes (or their interpretation by the courts and/or the Luxembourg tax authorities), whether or not retroactive, after the launch date of the "STEP 90 Euro" sub-fund, may generate directly or indirectly subsequent expenses and/or income cut. In such case the Guarantor may reduce the sums owed under the Guarantee in proportion of the net asset value drop in relation to this new tax environment.

The Company shall notify the shareholders of the "STEP 90 Euro" sub-fund in case of a change in the applicable tax regulation which would have a consequence on the Guarantee.

Moreover, the Guarantee may not be implemented in case of a change in the applicable tax regulation (or the interpretation of the regulation) which would change the tax amounts and/or any other contributions to be paid by any individual shareholder who would have asked for the redemption of its shares.

5. Guarantor payment

Guarantor remuneration is part of the fees paid to the Management Company.

Specific features of the "STEP 90 Euro" sub-fund are detailed in Book II.



## THE SHARES

### SHARE CATEGORIES AND CLASSES:

Within each sub-fund, the Board of Directors will be able to create the following share categories, and share classes ("categories" and "classes"):

Category	Class	Registered	Bearer <sup>(1)</sup>	Investors	Initial subscription price per share <sup>(2)</sup>	Minimum holding <sup>(3)</sup>
Classic	Capitalisation (CAP) Distribution (DIS)	Yes	Yes	All	100.- in the Reference Currencies except: CNH, CZK, NOK, PLN and SEK: 1,000.- JPY and HUF: 10,000.-	None
N	Capitalisation (CAP)					EUR 1 million per sub-fund, except for “Money Market” sub-funds EUR 100,000.00 Managers: none
Privilege	Capitalisation (CAP) Distribution (DIS)		Yes <sup>(3)</sup>	Institutional Investors, UCIs		<u>Institutional Investors:</u> EUR 3 million per sub-fund or EUR 10 million in the Company. <u>UCIs:</u> none
I	Capitalisation (CAP) Distribution (DIS)					
Life	Capitalisation (CAP)		No	AG Insurance		None
X	Capitalisation (CAP)		No	Authorized Investors		None

(1) Uncertificated

(2) Entry costs excluded, if any

(3) At the discretion of the Board of Directors

In some sub-funds, following sub-categories may be created:

#### a) MD categories

These categories pay dividend on a monthly basis

#### b) Hedged categories

These categories aim at hedging the Currency Exchange risk of the portfolio of the sub-fund against their Reference Currency. In the event of changes in the net asset value of the portfolio and/or of subscriptions and/or redemptions, hedging will be operated to the extent possible within specific bandwidths (should those limits not be respected from time to time, hedging readjustment will be operated). As a consequence, we cannot guarantee the currency exchange risk will be completely neutralised.

The currency of these categories appears in their denomination (for example, in the "Equity Brazil" sub-fund, "Classic H EUR" for a category hedged in EUR when the currency exposure of the portfolio of the sub-fund is BRL).

#### c) Return Hedged categories

These categories aim at hedging the portfolio return from Accounting Currency of the sub-fund (and not the underlying currency exposures) to the currency denomination of the category. In the event of changes in the net asset value of the portfolio and/or of subscriptions and/or redemptions, hedging will be operated to the extent possible within specific bandwidths (should those limits not be respected from time to time, hedging readjustment will be operated).

The currency of these categories appears in their denomination (for example, "Classic RH EUR" for a category hedged in EUR and the accounting currency of the sub-fund is USD).

#### d) Mono-Currency categories

The currency a given category is issued and valued in is indicated by the denomination of the category (for example "Classic USD" for a category issued and valued only in USD).

Other characteristics of these sub-categories are the same as those of their mother-category in the same sub-fund.

#### General provision available for all categories

The Board of Directors has the option of adding new valuation currencies to existing categories or classes. Such a decision will not be published but the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com) and the next version of the prospectus will be updated accordingly.

The Board of Directors may depart from the initial subscription price per share. However, the equal treatment of shareholders shall be preserved at all time.

The Board of Directors may decide at any time to split or consolidate the shares issued within one same sub-fund, category, or class into a number of shares determined by the Board itself. The total net asset value of such shares must be equal to the net asset value of the subdivided/consolidated shares existing at the time of the splitting/consolidation event.

If the assets of a category/class fall below EUR 1,000,000.00 or equivalent, the Board of Directors reserves the right to liquidate or merge it with another category/class if it decides it is in the best interest of shareholders.

Before subscribing, the investor should check in Book II which categories and classes are available for each sub-fund.

If it transpires that shares are held by persons other than those authorised, they will be converted to the appropriate category, class or currency.



Issued bearer and registered shares are listed into specific registers kept in Luxembourg by the Registrar Agent indicated in the section "General Information". Unless otherwise specified, shareholders will not receive a certificate representing their shares. Instead, they will receive a confirmation of their entry into the register.

Further to the Luxembourg law of 28 July 2014, physical bearer shares that were not immobilised before 18 February 2016 are cancelled. The cash equivalent of such cancelled shares has been deposited with the Luxembourg *Caisse de Consignation*. The reimbursement of this cash may be requested by shareholders who can prove their ownership.

The shares must be fully paid-up and are issued without a par value. Unless otherwise indicated, there is no limitation on their number. The rights attached to the shares are those described in the law of 10 August 1915, unless exempted by the Law.

Fractions of shares may be issued up to one-thousandth of a share.

All the Company's whole shares, whatever their value, have equal voting rights. The shares of each sub-fund, category, or class have an equal right to the liquidation proceeds of the sub-fund, category, or class.

If no specific information is given by the investor, orders received will be processed in the reference currency of the category.

**Before subscription, investors are invited to seek information on the opening of the categories, their currencies and the sub-funds in which they are open.**

## DIVIDENDS

Capitalisation shares retain their income to reinvest it.

The general meeting of shareholders holding distribution shares for each sub-fund concerned decides each year on the Board of Directors' proposal to pay a dividend, which is calculated in accordance with the limitations defined by law and the Articles of Association. In this respect, the general meeting reserves the right to distribute the net assets of each of the Company's sub-funds up to the limit of the legal minimum capital. The nature of the distribution (net investment income or capital) will be mentioned in the Company's Financial Statements.

If, given market conditions, it is in the shareholders' interest not to distribute a dividend, then no such distribution will be carried out.

If it deems it advisable, the Board of Directors may decide to distribute interim dividends.

The Board of Directors determines the payment methods for the dividends and interim dividends that have been decided upon. Dividends will, in principle, be paid in the Reference Currency of the class (exchange costs incurred for payments in different currencies will be borne by the investor).

Declared dividends and interim dividends not collected by shareholders within a period of five years from the payment date will lapse and revert to the sub-fund concerned.

Interest will not be paid on declared and unclaimed dividends or interim dividends, which will be held by the Company on behalf of the shareholders of the sub-fund for the duration of the legal limitation period.

**SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES**

The shares of the Company may be locally offered for subscription via regular savings plans, redemption and conversion programs, specific to this local supply, and may be subject to additional charges.

In the event that a regular savings plan is terminated prior to the agreed final date, the sum of entry costs payable by the shareholders concerned may be greater than would have been the case for standard subscriptions.

Investors may be required to appoint a paying agent as nominee (the "Nominee") for all actions connected with their shareholding in the Company.

On the basis of this mandate, the Nominee is specifically required to:

- send requests for subscription, redemption and conversion, grouped by share category, share class, sub-fund and distributor to the Company;
- be listed on the Company's register in its name "on behalf of a third party"; and
- exercise the investor's voting right (if any), according to the investor's instructions.

The Nominee must make every effort to keep an up-to-date electronic list of investors' names and addresses and the number of shares held; the status of shareholder can be verified via the confirmation letter sent to the investor by the Nominee.

Investors are informed that they may be required to pay additional fees for the activity of the above Nominee.

For further details, investors are invited to read the subscription documents available from their usual distributor.

**Preliminary Information**

Subscriptions, conversions and redemptions of shares are made with reference to their unknown net asset value (NAV). They may concern a number of shares or an amount.

The Board of Directors reserves the right to:

- (a) refuse a subscription, or conversion request for any reason whatsoever in whole or in part;
- (b) redeem, at any time, shares held by persons who are not authorised to buy or hold the Company's shares;
- (c) reject subscription, conversion or redemption requests from any investor who it suspects of using practices associated with Market Timing and Active Trading, and, where applicable, take necessary measures to protect the other investors in the Company, notably by charging an additional exit costs up to 2% of the order amount, to be retained by the sub-fund.

The Board of Directors is authorised to set minimum amounts for subscription, conversion, redemption and holding.

Subscriptions from entities which submit subscription applications and whose names show that they belong to one and the same group, or which have one central decision-making body, will be grouped together to calculate these minimum subscription amounts.

Should a share redemption or conversion request, a merger/splitting procedure, or any other event, have the effect of reducing the number or the total net book value of the shares held by a shareholder to below the number or value decided upon by the Board of Directors, the Company may redeem all the shares.

In certain cases stipulated in the section on suspension of the calculation of the NAV, the Board of Directors is authorised to temporarily suspend the issue, conversion and redemption of shares and the calculation of their net asset value.

The Board of Directors may decide, in the interest of the shareholders, to close a sub-fund, category and/or class for subscription or conversion in, under certain conditions and for the time it defines. Such a decision will not be published but the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com) will be updated accordingly.

**In connection with anti-money laundering procedures, the subscription form must be accompanied, in the case of an individual, by the identity card or passport of the subscriber, authenticated by a competent authority (for example, an embassy, consulate, notary, police superintendent) or by a financial institution subject to equivalent identification standards to those applicable in Luxembourg or the Articles of Association; and by an extract from the trade and companies register for a legal entity, in the following cases:**

1. direct subscription to the Company;
2. subscription through a professional financial sector intermediary resident in a country that is not subject to an obligation for identification equivalent to Luxembourg standards as regards preventing the use of the financial system for the purposes of money laundering;
3. subscription through a subsidiary or branch office, the parent company of which would be subject to an obligation for identification equivalent to that required under Luxembourg law, if the law applicable to the parent company does not oblige it to ensure that its subsidiaries or branch offices adhere to these provisions.

**The Company is also bound to identify the source of funds if they come from financial institutions that are not subject to an obligation for identification equivalent to those required under Luxembourg law. Subscriptions may be temporarily frozen pending identification of the source of the funds.**

**It is generally accepted that finance sector professionals resident in countries that have signed up to the conclusions of the FATF (Financial Action Task Force) on money laundering are deemed to have an obligation for identification equivalent to that required under Luxembourg law.**

**Processing of Personal Information**

In submitting a subscription request, the investor authorises the Company to store and utilise all of the confidential information that it may acquire on the investor with a view to managing its account or their business relationship. To the extent that this usage so requires, the investor also authorises the sharing of this information with different service providers of the Company. It is to be noted that some service providers established outside of the European Union may be subject to less stringent rules on the safeguarding of information. The information may be used for purposes of filing, order processing, responding to shareholder requests, and providing them with information on other Company products and services. Neither the Company nor its Management Company will disclose confidential information on shareholders unless required to do so by specific regulations.



### Subscriptions

The shares will be issued at a price corresponding to the net asset value per share plus the entry costs as described in Book II.

For an order to be executed at the net asset value on a given valuation day, it must be received by the Company before the time and date specified in the detailed conditions for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next valuation day.

In order to be accepted by the Company, the order must include all necessary information relating to the identification of the subscribed shares and the identity of the subscriber as described above.

Unless otherwise specified for a particular sub-fund, the subscription price of each share is payable in one of the valuation currencies of the shares concerned within the time period defined in Book II, increased, where necessary, by the applicable entry costs. At the shareholder's request, the payment may be made in a currency other than one of the valuation currencies. The exchange expenses will then be borne by the shareholder.

The Company reserves the right to postpone, and/or cancel subscription requests if it is not certain that the appropriate payment will reach the Depositary within the required payment time or if the order is incomplete. The Board of Directors or its agent may process the request by applying an additional charge to reflect interest owed at the customary market rates; or cancelling the share allotment, as applicable accompanied by a request for compensation for any loss owing to failure to make payment before the stipulated time limit. The shares will not be assigned until the duly completed subscription request has been received accompanied by the payment or a document irrevocably guaranteeing that the payment will be made before the deadline. The Company cannot be held responsible for the delayed processing of incomplete orders.

Any outstanding balance remaining after subscription will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be retained by the relevant sub-fund.

The Board of Directors may accept the issue of shares in exchange for the contribution in kind of transferable securities, in accordance with the conditions defined by Luxembourg Law, in particular with respect to the obligation for the submission of a valuation report by the Auditor mentioned under "General Information" above, and provided that these transferable securities meet the Company's investment policy and restrictions for the sub-fund concerned as described in Book II. Unless otherwise specified, the costs of such a transaction will be borne by the applicant.

### Conversions

Without prejudice to the specific provisions of a sub-fund, category, or class, shareholders may request the conversion of some or all of their shares into shares of another sub-fund, category, or class. The number of newly issued shares and the costs arising from the transaction are calculated in accordance with the formula described below.

Conversions are only permitted between the following categories:

<div> <div></div> <div>To</div> </div> <div>From</div>	Classic	N	Privilege	I	Life	X
Classic	Yes	Yes	Yes	Yes	No	No
N	No	Yes	No	No	No	No
Privilege	Yes	Yes	Yes	Yes	No	No
I	Yes	Yes	Yes	Yes	No	No
Life	No	No	No	No	Yes	No
X	Yes	Yes	Yes	Yes	No	Yes

Conversion principles of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

For a conversion order to be executed at the net asset value on a given valuation day, it must be received by the Company before the time and date specified for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next valuation day.

### Conversion Formula

The number of shares allocated to a new sub-fund, category or class will be established according to the following formula:

$$A = \frac{B \times C \times E}{D}$$

*A* being the number of shares to be allocated in the new sub-fund;

*B* being the number of shares of the original sub-fund to be converted;

*C* being the prevailing net asset value per share of the original sub-fund on the relevant Valuation Day;

*D* being the prevailing net asset value per share of the new sub-fund on the relevant Valuation Day; and

*E* being the exchange rate applicable at the time of the transaction between the currencies of the two concerned sub-funds

Investors will be charged for any foreign exchange transactions carried out at their request.

In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after conversion will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.





### **Redemptions**

Subject to the exceptions and limitations prescribed in the Prospectus, all shareholders are entitled, at any time, to have their shares redeemed by the Company.

For an order to be executed at the net asset value on a given valuation day, it must be received by the Company before the time and date specified in the conditions for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next valuation day.

In order to be accepted by the Company, the order must include all necessary information relating to the identification of the shares in question and the identity of the shareholder as described above.

Unless otherwise specified for a particular sub-fund, the redemption amount for each share will be reimbursed in the subscription currency, less, where necessary, the applicable exit costs.

At the shareholder's request, the payment may be made in a currency other than the subscription currency of the redeemed shares, in which case the exchange costs will be borne by the shareholder and charged against the redemption price. The redemption price of shares may be higher or lower than the price paid at the time of subscription (or conversion), depending on whether the net asset value has appreciated or depreciated in the interval.

The Company reserves the right to postpone redemption requests if the order is incomplete. The Company cannot be held responsible for the delayed processing of incomplete orders.

Redemptions in kind are possible upon specific approval of the Board of Directors, provided that the remaining shareholders are not prejudiced and that a valuation report is produced by the Company's Auditor. The type and kind of assets that may be transferred in such cases will be determined by the manager, taking into account the investment policy and restrictions of the sub-fund in question. The costs of such transfers may be borne by the applicant.

In the event that the total net redemption/conversion applications received for a given sub-fund on a Valuation Day equals or exceeds 10%\* of the net assets of the sub-fund in question, the Board of Directors may decide to split and/or defer the redemption/conversion applications on a pro-rata basis so as to reduce the number of shares redeemed/converted to date to 10%\* of the net assets of the sub-fund concerned. Any redemption/conversion applications deferred shall be given in priority in relation to redemption/conversion applications received on the next Valuation Day, again subject to the limit of 10%\* of net assets.

\* 5% for the "Equity Japan Small Cap" and "Equity Australia" sub-funds.

In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after redemption will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.

### **Stock exchange listing**

By decision of the Board of Directors, the shares of the sub-funds and categories of the Company may be admitted to official listing on the Luxembourg Stock Exchange and/or as applicable on another securities exchange.



## NET ASSET VALUE

### CALCULATION OF THE NET ASSET VALUE PER SHARE

Each net asset value calculation will be made as follows under the responsibility of the Board of Directors:

- (1) The net asset value will be calculated as specified in Book II.
- (2) The net asset value per share will be calculated with reference to the total net assets of the corresponding sub-fund, category, or class. The total net assets of each sub-fund, category, or class will be calculated by adding all the asset items held by each (including the entitlements or percentages held in certain internal sub-portfolios as more fully described in point 4, below) from which any related liabilities and commitments will be subtracted, all in accordance with the description in point 4, paragraph 4, below.
- (3) The net asset value per share of each sub-fund, category, or class will be calculated by dividing its respective total net assets by the number of shares in issue, up to six decimal places for the "Money Market" sub-funds and to two decimal places for all other sub-funds, except for those currencies for which decimals are not used.

- (4) Internally, in order to ensure the overall financial and administrative management of the set of assets belonging to one or more sub-funds, categories, or classes, the Board of Directors may create as many internal sub-portfolios as there are sets of assets to be managed (the "internal sub-portfolios").

Accordingly, one or more sub-funds, categories, or classes that have entirely or partially the same investment policy may combine the assets acquired by each of them in order to implement this investment policy in an internal sub-portfolio created for this purpose. The portion held by each sub-fund, category, or class within each of these internal sub-portfolios may be expressed either in terms of percentages or in terms of entitlements, as specified in the following two paragraphs. The creation of an internal sub-portfolio will have the sole objective of facilitating the Company's financial and administrative management.

The holding percentages will be established solely on the basis of the contribution ratio of the assets of a given internal sub-portfolio. These holding percentages will be recalculated on each valuation day to take account of any redemptions, issues, conversions, distributions or any other events generally of any kind affecting any of the sub-funds, categories, or classes concerned that would increase or decrease their participation in the internal sub-portfolio concerned.

The entitlements issued by a given internal sub-portfolio will be valued as regularly and according to identical methods as those mentioned in points 1, 2 and 3, above. The total number of entitlements issued will vary according to the distributions, redemptions, issues, conversions, or any other events generally of any kind affecting any of the sub-funds, categories, or classes concerned that would increase or decrease their participation in the internal sub-portfolio concerned.

- (5) Whatever the number of categories, or classes created within a particular sub-fund, the total net assets of the sub-fund will be calculated at the intervals defined by Luxembourg Law, the Articles of Association, or the Prospectus. The total net assets of each sub-fund will be calculated by adding together the total net assets of each category, or class created within the sub-fund.
- (6) Without prejudice to the information in point 4, above, concerning entitlements and holding percentages, and without prejudice to the particular rules that may be defined for one or more particular sub-funds, the net assets of the various sub-funds will be valued in accordance with the rules stipulated below.

### COMPOSITION OF ASSETS

The Company's assets primarily include:

- (1) cash in hand and cash deposit including interest accrued but not yet received and interest accrued on these deposits until the payment date;
- (2) all notes and bills payable on demand and accounts receivable (including the results of sales of securities before the proceeds have been received);
- (3) all securities, units, shares, bonds, options or subscription rights and other investments and securities which are the property of the Company;
- (4) all dividends and distributions to be received by the Company in cash or securities that the Company is aware of;
- (5) all interest accrued but not yet received and all interest generated up to the payment date by securities which are the property of the Company, unless such interest is included in the principal of these securities;
- (6) the Company's formation expenses, insofar as these have not been written down;
- (7) all other assets, whatever their nature, including prepaid expenses.

### VALUATION RULES

The assets of each sub-fund shall be valued as follows:

- (1) The value of cash in hand and cash deposit, bills and drafts payable at sight and accounts receivable, prepaid expenses, and dividends and interest due but not yet received, shall comprise the nominal value of these assets, unless it is unlikely that this value could be received; in that event, the value will be determined by deducting an amount which the Company deems adequate to reflect the actual value of these assets;
- (2) The value of shares or units in undertakings for collective investment shall be determined on the basis of the last net asset value available on the Valuation Day. If this price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Board of Directors in a prudent and bona fide manner.
- (3) The valuation of all securities listed on a stock exchange or any other regulated market, which functions regularly, is recognised and accessible to the public, is based on the last known closing price on the Valuation Day, and, if the securities concerned are traded on several markets, on the basis of the last known closing price on the major market on which they are traded.  
If the last known closing price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Board of Directors in a prudent and bona fide manner.

The Board of Directors use this possibility for the valuation of the securities listed on East Asia, South Asia, Southeast Asia, and Oceania markets. In these cases, the aforesaid last known closing price is adjusted by using a method reviewed by the auditors of the Company and monitored by the Management Company to reflect a fair value price of the concerned assets.

- (4) Unlisted securities or securities not traded on a stock exchange or another regulated market which functions in a regular manner, is recognised and accessible to the public, shall be valued on the basis of the probable sale price estimated in a prudent and bona fide manner by a qualified professional appointed for this purpose by the Board of Directors;





- (5) Securities denominated in a currency other than the currency in which the sub-fund concerned is denominated shall be converted at the exchange rate prevailing on the Valuation Day;
- (6) If permitted by market practice, liquid assets, money market instruments and all other instruments may be valued at their nominal value plus accrued interest or according to the linear amortisation method. Any decision to value the assets in the portfolio using the linear amortisation method must be approved by the Board of Directors, which will record the reasons for such a decision. The Board of Directors will put in place appropriate checks and controls concerning the valuation of the instruments;
- (7) The Board of Directors is authorised to draw up or amend the rules in respect of the relevant valuation rates.
- (8) IRS shall be valued on the basis of the difference between the value of all future interest payable by the Company to its counterparty on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments and the value of all future interest payable by the counterparty to the Company on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments;
- (9) The internal valuation model for CDS utilises as inputs the CDS rate curve, the recovery rate and a discount rate (LIBOR or market swap rate) to calculate the mark-to-market. This internal model also produces the rate curve for default probabilities. To establish the CDS rate curve, data from a certain number of counterparties active in the CDS market are used. The manager uses the valuation of the counterparties' CDS to compare them with the values obtained from the internal model. The starting point for the construction of the internal model is parity between the variable portion and fixed portion of the CDS on signing the CDS.
- (10) Since EDS are triggered by an event affecting a share, their valuation depends mainly on the volatility of the share and its asymmetrical position. The higher the volatility, the greater the risk that the share will reach the 70% threshold and therefore the greater the EDS spread. The spread of a company's CDS also reflects its volatility, since high volatility of the share indicates high volatility of the assets of the company in question and therefore a high probability of a credit event. Given that the spreads of both EDS and CDS are correlated with the implicit volatility of the shares, and that these relations have a tendency to remain stable over time, an EDS can be considered as a proxy for a CDS. The key point in the valuation of an EDS is to calculate the implicit probability of a share event. Two methods are generally accepted: the first consists of using the market spread of the CDS as input in a model to evaluate the EDS; the second uses historical data for the share in question to estimate the probability. Although historical data are not necessarily a proper guide as to what may happen in the future, such data can reflect the general behaviour of a share in crisis situation. In comparing the two approaches, it is very rare to see historic probabilities higher than the shares' implicit probabilities;
- (11) The valuation of a CFD and TRS shall at any given time reflect the difference between the latest known price of the underlying stock and the valuation that was taken into account when the transaction was signed.

#### COMPOSITION OF LIABILITIES

The Company's liabilities primarily include:

- (1) all loans, matured bills and accounts payable;
- (2) all known liabilities, whether or not due, including all contractual obligations due and relating to payment in cash or kind, including the amount of dividends announced by the Company but yet to be paid;
- (3) all reserves, authorised or approved by the Board of Directors, including reserves set up in order to cover a potential capital loss on certain of the Company's investments;
- (4) any other undertakings given by the Company, except for those represented by the Company's equity. For the valuation of the amount of these liabilities, the Company shall take account of all the charges for which it is liable, including, without restriction, the costs of amendments to the Articles of Association, the Prospectus and any other document relating to the Company, management, advisory, performance and other fees and extraordinary expenses, any taxes and duties payable to government departments and stock exchanges, the costs of financial charges, bank charges or brokerage incurred upon the purchase and sale of assets or otherwise. When assessing the amount of these liabilities, the Company shall take account of regular and periodic administrative and other expenses on a prorata temporis basis.

The assets, liabilities, expenses and fees not allocated to a sub-fund, category or class shall be apportioned to the various sub-funds, categories, or classes in equal parts or, subject to the amounts involved justifying this, proportionally to their respective net assets. Each of the Company's shares which is in the process of being redeemed shall be considered as a share issued and existing until closure on the Valuation Day relating to the redemption of such share and its price shall be considered as a liability of the Company as from closing on the date in question until such time as the price has been duly paid. Each share to be issued by the Company in accordance with subscription applications received shall be considered as being an amount due to the Company until such time as it has been duly received by the Company. As far as possible, account shall be taken of any investment or divestment decided by the Company until the Valuation Day.

#### SUSPENSION OF THE CALCULATION OF NET ASSET VALUE AND THE ISSUE, CONVERSION AND REDEMPTION OF SHARES

Without prejudice to legal causes for suspension, the Board of Directors may at any time temporarily suspend the calculation of the net asset value of shares of one or more sub-funds, as well as the issue, conversion and redemption in the following cases:

- (1) during any period when one or more currency markets, or a stock exchange, which are the main markets or exchanges where a substantial portion of a sub-fund's investments at a given time are listed, is/are closed, except for normal closing days, or during which trading is subject to major restrictions or is suspended;
- (2) when the political, economic, military, currency, social situation, or any event of *force majeure* beyond the responsibility or power of the Company makes it impossible to dispose of one assets by reasonable and normal means, without seriously harming the shareholders' interests;
- (3) during any failure in the means of communication normally used to determine the price of any of the Company's investments or the going prices on a particular market or exchange;
- (4) when restrictions on foreign exchange or transfer of capital prevents transactions from being carried out on behalf of the Company or when purchases or sales of the Company's assets cannot be carried out at normal exchange rates;
- (5) as soon as a decision has been taken to either liquidate the Company or one or more sub-funds, categories or classes;
- (6) to determine an exchange parity under a merger, partial business transfer, splitting or any restructuring operation within, by or in one or more sub-funds, categories, or classes;
- (7) for a "Feeder" sub-fund, when the net asset value, issue, conversion, or redemption of units, or shares of the "Master" sub-fund are suspended;
- (8) any other cases when the Board of Directors estimates by a justified decision that such a suspension is necessary to safeguard the general interests of the shareholders concerned.



In the event the calculation of the net asset value is suspended, the Company shall immediately and in an appropriate manner inform the shareholders who requested the subscription, conversion or redemption of the shares of the sub-fund(s) in question.

In exceptional circumstances which could have a negative impact on shareholders' interests, or in the event of subscription, redemption or conversion applications exceeding 10%\* of a sub-funds' net assets, the Board of Directors reserves the right not to determine the value of a share until such time as the required purchases and sales of securities have been made on behalf of the sub-fund. In that event, subscription, redemption and conversion applications in the pipeline will be processed simultaneously on the basis of the net asset value so calculated.

\* 5% for the "Equity Japan Small Cap" and "Equity Australia" sub-funds.

Pending subscription, conversion and redemption applications may be withdrawn by written notification provided that such notification is received by the company prior to lifting of the suspension. Pending applications will be taken into account on the first calculation date following lifting of the suspension. If all pending applications cannot be processed on the same calculation date, the earliest applications shall take precedence over more recent applications.

#### **SWING PRICING**

**In certain market conditions, taking account of the volume of purchase and sale transactions in a given sub-fund and the size of these transactions, the Board of Directors may consider that it is in the interest of shareholders to calculate the NAV per share based on the purchase and sale prices of the assets and/or by applying an estimate of the difference between the buy and sell prices applicable on the markets on which the assets are traded. The Board of Directors may further adjust the NAV for transaction fees and sales commissions, provided these fees and commissions do not exceed 1% of the NAV of the sub-fund at that time.**



## TAX PROVISIONS

### TAXATION OF THE COMPANY

At the date of the Prospectus, the Company is not liable to any Luxembourg income tax or capital gains tax.

The Company is liable to an annual *taxe d'abonnement* in Luxembourg representing 0.05% of the net asset value. This rate is reduced to 0.01% for:

- a) sub-funds with the exclusive objective of collective investments in money market instruments and deposits with credit institutions;
- b) sub-funds with the exclusive objective of collective investments with credit institutions;
- c) sub-funds, categories, or classes reserved for Institutional Investors, Managers, and UCIs.

The following are exempt from this *taxe d'abonnement*:

- a) the value of assets represented by units, or shares in other UCIs, provided that these units or shares have already been subject to the *taxe d'abonnement*;
- b) sub-funds, categories and/or classes:
  - (i) whose securities are reserved to Institutional Investors, Managers or UCIs and
  - (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and
  - (iii) whose weighted residual portfolio maturity does not exceed 90 days, and
  - (iv) that have obtained the highest possible rating from a recognised rating agency;
- c) sub-funds, categories and/or classes reserved to:
  - (i) institutions for occupational retirement pension or similar investment vehicles, set up at the initiative of one or more employers for the benefit of their employees, and
  - (ii) companies having one or more employers investing funds to provide pension benefits to their employees;
- d) sub-funds whose main objective is investment in microfinance institutions;
- e) sub-funds, categories and/or classes:
  - (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly that is recognized and open to the public, and
  - (ii) whose exclusive object is to replicate the performance of one or several indices.

When due, the *taxe d'abonnement* is payable quarterly based on the relevant net assets and calculated at the end of the quarter for which it is applicable.

In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

### TAXATION OF THE COMPANY'S INVESTMENTS

Some of the Company's portfolio income, especially income in dividends and interest, as well as certain capital gains, may be subject to tax at various rates and of different types in the countries in which they are generated. This income and capital gains may also be subject to withholding tax. Under certain circumstances, the Company may not be eligible for the international agreements preventing double taxation that exist between the Grand Duchy of Luxembourg and other countries. Some countries will only consider that persons taxable in Luxembourg qualify under these agreements.

### TAXATION OF SHAREHOLDERS

#### a) Residents of the Grand Duchy of Luxembourg

On the date of the Prospectus, the dividends earned and capital gains made on the sale of shares by residents of the Grand Duchy of Luxembourg are not subject to withholding tax.

Dividends are taxable at the base rate.

Capital gains made on the sale of shares are not subject to income tax if the shares are held for a period of over six months, except in the case of resident shareholders holding over 10% of the shares of the Company.

#### b) Non-residents

In principle, according to current law:

- the dividends earned and the capital gains made on the sale of shares by non-residents are not subject to Luxembourg withholding tax;
- the capital gains made by non-residents on the sale of shares are not subject to Luxembourg income tax.

Nevertheless, if there is a dual tax convention between the Grand Duchy and the shareholder's country of residence, the capital gains made on the sale of shares are tax-exempt in principle in Luxembourg, with the taxation authority being attributed to the shareholder's country of residence.

#### c) Residents of another member state of the European Union, including the French overseas departments, the Azores, Madeira, the Canary Islands, the Åland Islands and Gibraltar.

Any individual who receives dividends from the Company or the proceeds from the sale of shares in the Company through a paying agent based in a state other than the one in which he resides is advised to seek information on the legal and regulatory provisions applicable to him.

In most countries covered by Directive 2011/16 and 2014/107/EU, will be reported to the tax authorities in the state of residence of the beneficial owner of the income the total gross amount distributed by the Company and/or the total gross proceeds from the sale, refund or redemption of shares in the Company.

Instead of such reporting, certain countries, including Austria and Switzerland, will apply, until the end of 2016, a withholding tax on the interest and other income related to interest paid to a beneficial owner resident in another member state. This withholding tax will be 35%. Such withholding will be taken into consideration for tax purposes by the tax authority of the state of residence of the individual, in accordance with applicable tax law. The beneficial owner may instruct the paying agent to submit to the information-exchange system or to use a tax certificate as an alternative to the withholding tax.



d) Residents of third countries or territories

No withholding tax is levied on interest paid to residents of third countries or territories.

Nevertheless, in the framework of Automatic Exchange of Information package (AEOI) covering fiscal matters elaborated by OECD, the Financial Institution residents of the States participants of AEOI will communicate to the Fiscal Authority of participating State of residence of the revenues beneficiary, the financial and personal information as defined by this regulation. The list of countries that are signatories of the AEOI is available on the website [www.oecd.org](http://www.oecd.org). <http://www.oecd.org/tax/automatic-exchange/>

e) US Tax

Under the Foreign Account Tax Compliance Act ("FATCA") provisions which entered into force as from 1<sup>st</sup> July 2014, in the case the Company invests directly or indirectly in US assets, income received from such US investments could be subject to a 30% US withholding tax.

To avoid such withholding tax the Grand Duchy of Luxembourg has entered, on 28<sup>th</sup> March 2014, into an intergovernmental agreement (the "IGA") with the United States under which the Luxembourg financial institutions have to undertake due diligence to report certain information on their direct or indirect U.S. investors to the Luxembourg Tax authorities. Such information will be onward reported by the Luxembourg tax authorities to the U.S. Internal Revenue Service ("IRS").

**The foregoing provisions are based on the Law and practices currently in force, and might be subject to change. Potential investors are advised to seek information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment. The attention of investors is also drawn to certain tax provisions specific to several countries in which the Company publicly trades its shares.**



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## GENERAL MEETINGS AND INFORMATION FOR SHAREHOLDERS

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### GENERAL SHAREHOLDERS' MEETINGS

The Annual General Shareholders' Meeting is held at 3.00 p.m. on 25 April at the Company's registered office or any other location in the Grand Duchy of Luxembourg specified in the notice to attend the meeting. If that day is not a bank business day in Luxembourg, the Annual General Meeting will be held on the following bank business day. Other General Meetings may be convened in accordance with the prescriptions of Luxembourg law and the Company's Articles of Association.

Notices inviting shareholders to attend General Meetings will be published according to the forms and times prescribed in Luxembourg law and the Company's Articles of Association, and at least with a 14 days prior notice.

Similarly, General Meetings will be conducted as prescribed by Luxembourg law and the Company's Articles of Association.

Every share, irrespective of its unit value, entitles its holder to one vote. All shares have equal weight in decisions taken at the General Meeting when decisions concern the Company as a whole. When decisions concern the specific rights of shareholders of one sub-fund, category, or class, only the holders of shares of that sub-fund, category, or class may vote.

### INFORMATION FOR SHAREHOLDERS

#### Net Asset Values and Dividends

The Company publishes the legally required information in the Grand Duchy of Luxembourg and in all other countries where the shares are publicly offered.

This information is also available on the website: [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### Financial Year

The Company's financial year starts on 1<sup>st</sup> January and ends on 31<sup>st</sup> December.

#### Financial Reports

The Company publishes an annual report closed on the last day of the financial year, certified by the auditors, as well as a non-certified, semi-annual interim report closed on the last day of the sixth month of the financial year. The Company is authorised to publish a simplified version of the financial report when required.

The financial reports of each sub-fund are published in the accounting currency of the sub-fund, although the consolidated accounts of the Company are expressed in euro.

The annual report is made public within four months of the end of the financial year and the interim report within two months of the end of the half-year.

#### Documents for Consultation

The Articles of Association, the Prospectus, the KIID, and periodic reports may be consulted at the Company's registered office and at the establishments responsible for the Company's financial service. Copies of the Articles of Association and the annual and interim reports are available upon request.

Except for the newspaper publications required by Law, the official media to obtain any notice to shareholders from will be the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

Documents and information are also available on the website: [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).



## APPENDIX 1 – INVESTMENT RESTRICTIONS

For the purpose of this Appendix 1, the following definitions apply:

“Member State”: Member state of the European Union. The states that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the European Union, within the limits set forth by this Agreement and related acts are considered as equivalent to Member States of the European Union.

“Third Country”: A country other than a Member State.

1. A sub-fund's investments shall comprise only one or more of the following:

- a) transferable securities and money market instruments admitted to or dealt in on a regulated market as defined by Directive 2004/39;
- b) transferable securities and money market instruments dealt in on another regulated market in a Member State, which operates regularly and is recognised and open to the public;
- c) transferable securities and money market instruments admitted to official listing on a stock exchange in a country which is not a European Union Member State or dealt in on another regulated market in a country which is not a European Union Member State which operates regularly and is recognised and open to the public;
- d) recently issued transferable securities and money market instruments, provided that:
  - (i) the terms of issue include an undertaking that an application will be made for admission to official listing on a stock exchange or to another regulated market which operates regularly and is recognised and open to the public; and
  - (ii) the admission is secured within a year of issue;
- e) units or shares in UCITS authorised according to Directive 2009/65 and/or other UCIs within the meaning of Article 1(2)(a) and (b) of the Directive 2009/65, whether or not established in a Member State, provided that:
  - (i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU legislation, and that cooperation between authorities is sufficiently ensured;
  - (ii) the level of protection to unitholders or shareholders in these other UCIs is equivalent to that provided for unitholders or shareholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65;
  - (iii) the business of these other UCIs is reported in semi-annual interim and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; and
  - (iv) no more than 10% of the assets of the UCITS or of the other UCIs whose acquisition is contemplated, can, according to their management regulations or articles of association, be invested in aggregate in units or shares of other UCITS or other UCIs;
- f) deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the credit institution has its registered office in a Third Country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU legislation;
- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in points a), b) and c) above or financial derivative instruments dealt in over-the-counter (OTC) derivatives, provided that:
  - (i) the underlying of the derivative consists of instruments covered by this paragraph 1., financial indices, interest rates, foreign exchange rates or currencies, in which the corresponding sub-fund may invest according to its investment objectives as stated in the Company's Articles of Association.
  - (ii) the counterparties to OTC derivative transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF, and
  - (iii) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative.

The use of derivative financial instruments should not result in leverage on the assets of the “STEP 90 Euro” sub-fund.

- h) money market instruments other than those dealt in on a regulated market, which fall under Article 1 of the Law, if the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, provided that they are:
  - (i) issued or guaranteed by a central, regional or local authority or central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a Third Country or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more European Union Member States belong;
  - (ii) issued by a company any securities of which are dealt in on regulated markets referred to in Section 1. paragraph a), b) or c) above;
  - (iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU legislation; or
  - (iv) issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in points (i), (ii) or (iii) first, second or third sub-clauses immediately preceding, and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 000 000 and which presents and publishes its annual accounts in accordance with the Directive 78/660, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2. A sub-fund shall not, however:

- a) invest more than 10% of its assets in transferable securities, or money market instruments other than those referred to in Section 1.; or
- b) acquire either precious metals or certificates representing them.

A sub-fund may hold ancillary liquid assets.





3. The Company may acquire movable or immovable property which is essential for the direct pursuit of its business.
4.
  - a) A sub-fund shall invest no more than:
    - (i) 10% of its assets in transferable securities or money market instruments issued by the same body; or
    - (ii) 20% of its assets in deposits made with the same body.The risk exposure to a counterparty of a sub-fund in an OTC derivative transaction shall not exceed either:
    - (i) 10% of its assets when the counterparty is a credit institution referred to Section 1. paragraph f); or
    - (ii) 5% of its assets, in other cases.
  - b) The total value of the transferable securities and the money market instruments held by a sub-fund in the issuing bodies in each of which it invests more than 5% of its assets shall not exceed 40% of the value of its assets. That limitation shall not apply to deposits or OTC derivative transactions made with financial institutions subject to prudential supervision.  
Notwithstanding the individual limits laid down in paragraph a), a sub-fund shall not combine, where this would lead to investment of more than 20% of its assets in a single body, any of the following:
    - (i) investments in transferable securities or money market instruments issued by that body;
    - (ii) deposits made with that body; or
    - (iii) exposure arising from OTC derivative transactions undertaken with that body.
  - c) The 10% limit laid down in paragraph a) point (i) may be raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its local authorities, by a Third Country or by public international body to which one or more Member States belong.
  - d) The 10% limit laid down in the paragraph a) point (i) may be raised to a maximum of 25% where bonds are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.  
Where a sub-fund invests more than 5% of its assets in the bonds referred to in the paragraph a) which are issued by a single issuer, the total value of these investments shall not exceed 80% of the value of the assets of the sub-fund.
  - e) The transferable securities and money market instruments referred to in paragraphs c) and d) shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph b).  
The limits provided for in paragraph a), b), c) and d) shall not be combined, and thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with paragraph a), b), c) and d) shall not exceed in total 35% of the assets of the sub-fund.  
Companies which are included in the same group for the purposes of consolidated accounts, as defined in Directive 83/349 or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits contained in this Section 4.  
A sub-fund may cumulatively invest in transferable securities and money market instruments within the same group up to 20% of its assets.
5. Without prejudice to the limits laid down in Section 8., the limits laid down in Section 4. are raised to a maximum of 20% for investments in shares or debt securities issued by the same body, when the aim of the sub-fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:
  - (i) its composition is sufficiently diversified;
  - (ii) the index represents an adequate benchmark for the market to which it refers; and
  - (iii) it is published in an appropriate manner.This limit of 20% shall be raised to a maximum of 35% where that proves to be justified by exceptional market conditions (such as, but not limited to, disruptive market conditions or extremely volatile markets) in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to that limit shall be permitted only for a single issuer.
6. **As an exception to Section 4., in accordance with the principle of risk-spreading, a sub-fund shall invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a Third Country part of the OECD, Brazil, People's Republic of China, India, Russia, Singapore and South Africa, or a public international body to which one or more Member States belong.**  
**Such a sub-fund shall hold securities from at least six different issues, but securities from any single issue shall not account for more than 30% of its total assets.**
7.
  - a) A sub-fund may acquire the units or shares of UCITS or other UCIs referred to in Section 1. paragraph e), provided that no more than 20% of its assets are invested in units or shares of a single UCITS or other UCI. For the purposes of the application of this investment limit, each sub-fund in a multi-sub-fund UCI, as defined by Article 181 of the Law, is considered as a separate issuer, provided that the principle of segregation of the commitments of the different sub-funds with regard to third parties is assured.
  - b) Investments made in units or shares of UCIs other than UCITS shall not exceed, in aggregate, 30% of the assets of a sub-fund. Where a sub-fund has acquired units or shares of another UCITS or UCIs, the assets of the respective UCITS or other UCIs are not combined for the purposes of the limits laid down in Section 4.
  - c) Due to the fact that the Company may invest in UCI units, or shares, the investor is exposed to a risk of fees doubling (for example, the management fees of the UCI in which the Company is invested).  
A sub-fund may not invest in a UCITS, or other UCI (underlying), with a management fee exceeding 3% per annum.  
Where a sub-fund invests in the units or shares of other UCITS or UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, the sub-fund will not incur any entry or exit costs for the units or shares of these underlying assets.



The maximum annual management fee payable directly by the sub-fund is defined in Book II.

8.
  - a) The Company shall not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
  - b) A sub-fund may acquire no more than:
    - (i) 10% of the non-voting shares of a single issuing body;
    - (ii) 10% of debt securities of a single issuing body;
    - (iii) 25% of the units or shares of a single sub-fund of UCITS or other UCI within the meaning of Article 2 Paragraph 2 of the Law ; or
    - (iv) 10% of the money market instruments of a single issuing body.

The limits laid down in points (ii), (iii) and (iv) may be disregarded at the time of acquisition if, at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue, cannot be calculated.
  - c) Paragraph a) and b) above do not apply with regard to:
    - (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
    - (ii) transferable securities and money market instruments issued or guaranteed by a country which is not a European Union Member State ;
    - (iii) transferable securities and money market instruments issued by a public international body to which one or more European Union Member States belong;
    - (iv) shares held by the Company in the capital of a company incorporated in a Third Country not member of the European Union investing its assets mainly in the securities of issuing bodies having their registered offices in that country, where under the legislation of that country, such a holding represents the only way in which the Company can invest in the securities of issuing of that country. This derogation shall apply only if in its investment policy the company from the Third Country not member of the European Union complies with the limits laid down in Sections 4., 7. and 8. paragraph a) and b). Where the limits set in Sections 4. and 7. are exceeded, Section 9. shall apply *mutatis mutandis*;
9. The sub-funds are not required to comply with the limits laid down in this Appendix when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.  
 While ensuring observance of the principle of risk spreading, recently authorised sub-funds are allowed to derogate from Sections 4., 5., 6. and 7. for six months following the date of their authorisation.  
 If these limits are exceeded for reasons beyond the control of the sub-fund or as a result of the exercise of subscription rights, the sub-fund shall adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.
10. A sub-fund may acquire currencies by means of "back-to-back" loans.  
 A sub-fund may borrow provided that such borrowing is:
  - a) on a temporary basis and represent no more than 10% of its assets;
  - b) to enable the acquisition of immovable property essential for the direct pursuit of its business and represent no more than 10% of its assets.

Such borrowing shall not exceed 15% of its assets in total.
11. Without prejudice to the application of Sections 1., 2., 3. and Appendix 2, a sub-fund shall not grant loans or act as a guarantor on behalf of third parties.  
 This shall not prevent a sub-fund from acquiring transferable securities, money market instruments or other financial instruments referred to in Section 1. paragraph e), g) and h) which are not fully paid.
12. A sub-fund shall not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in Section 1. paragraph e), g) and h).
13. By way of derogation of the above restriction, a sub-fund designed as "the Feeder" may invest:
  - a) at least 85% of its assets in units, or shares of another UCITS or another sub-fund of UCITS (the "Master");
  - b) up to 15% of its assets in one or more of the following:
    - ancillary liquid assets,
    - financial derivative instruments, which may be used only for hedging purpose, in accordance with Section 1. paragraph g) and Appendix 2;
    - movable and immovable property which is essential for the direct pursuit of its business.
14. A sub-fund may acquire shares of one or more other sub-funds of the Company (the target sub-fund), provided that:
  - the target sub-fund does not, in turn, invest in the sub-fund;
  - the proportion of assets that each target sub-fund invests in other target sub-funds of the Company does not exceed 10%;
  - any voting rights attached to the shares of the target sub-funds are suspended for as long as they are held by the sub-fund and without prejudice to the appropriate processing in the accounts and the periodic reports; and
  - in any events, for as long as these target sub-fund shares are held by the Company, their value shall not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of net assets required by the law.





#### 15. Specific Restriction for Hong Kong

By exception to the above Section 6., the following sub-funds registered in Hong Kong may not invest more than 10% of their assets in transferable securities issued by or guaranteed by any single country (including its government, a public or local authority of that country) with a credit rating below investment grade and/or unrated (the "non-investment grade securities of a single sovereign issuer"):

"Bond USD Short Duration", "Bond World", "Bond World High Yield", "Bond World Inflation-linked", "Convertible Bond Asia", "Convertible Bond World", "Equity Best Selection Asia ex-Japan", "Equity Best Selection Euro", "Equity Best Selection Europe", "Equity Brazil", "Equity China", "Equity Europe Emerging", "Equity Europe Growth", "Equity Europe Mid Cap", "Equity Europe Small Cap", "Equity High Dividend Pacific", "Equity High Dividend USA", "Equity India", "Equity Indonesia", "Equity Japan", "Equity Latin America", "Equity Russia", "Equity Russia Opportunities", "Equity USA Growth", "Equity USA Mid Cap", "Equity World Consumer Durables", "Equity World Emerging", "Equity World Energy", "Equity World Finance", "Equity World Health Care", "Equity World Low Volatility", "Equity World Materials", "Equity World Technology", "Equity World Telecom", "Equity World Utilities", "Green Tigers", "Real Estate Securities Pacific", "Real Estate Securities World", "Sustainable Equity High Dividend Europe".

#### 16. Specific restrictions for Korea

By exception to the above Section 6., the following sub-funds registered in Korea may not invest more than 35% of their assets in transferable securities and money market instruments issued by or guaranteed by the government, a public or local authority of Brazil, Indonesia, Russia, Singapore and South Africa:

"Bond Asia ex-Japan", "Bond Best Selection World Emerging", "Bond Euro High Yield", "Bond USA High Yield", "Bond World Emerging", "Bond World Emerging Local", "Bond World High Yield", "Convertible Bond Asia", "Convertible Bond Europe", "Convertible Bond World", "Diversified Dynamic", "Equity Australia", "Equity Best Selection Euro", "Equity Best Selection Europe", "Equity Europe Mid Cap", "Equity Europe Small Cap", "Equity High Dividend Pacific", "Equity Turkey", "Equity USA Mid Cap", "Equity USA Small Cap", "Equity World Consumer Durables", "Equity World Emerging", "Equity World Energy", "Equity World Health Care", "Equity World Low Volatility", "Equity World Telecom", "Global Environment".

As a general rule, the Board of Directors reserves the right to introduce other investment restrictions at any time when indispensable for conforming to the laws and regulations in force in certain states where the Company's shares may be offered and sold. On the other hand, where permitted by current regulations applicable to the Company, the Board of Directors reserves the right to exempt one or more sub-funds from one or more of the investment restrictions specified above. These exceptions will be mentioned in the investment policies summarised in Book II for each of the sub-funds concerned.



## APPENDIX 2 – TECHNIQUES, FINANCIAL INSTRUMENTS, AND INVESTMENT POLICIES

Without prejudice to any stipulations for one or more particular sub-funds, the Company is authorised, for each sub-fund and in conformity with the conditions set out below, to use financial derivative instruments in accordance with Section 1. paragraph g) of the Appendix 1 of the Prospectus (the "Appendix 1").

Each sub-fund may, in the context of its investment policy and within the limits defined in Section 1 of the Appendix 1, invest in financial derivative instruments provided the total risk to which the underlying assets are exposed does not exceed the investment limits stipulated in Section 4 of the Appendix 1. When a sub-fund invests in financial derivative instruments based on an **index**, these investments are not necessarily combined with the limits stipulated in Section 4 of the Appendix 1.

When a transferable security or a money market instrument comprises a derivative instrument, the derivative instrument must be taken into account for the application of the present provisions.

### 1. General Information

The Company may use derivative instruments, whose underlying assets may be transferable securities or money market instruments, both for hedging and for trading (investment) purposes.

If the aforesaid transactions involve the use of **derivative** instruments, these conditions and limits must correspond to the provisions of Appendix 1 of the Prospectus.

If a sub-fund uses derivative instruments for trading (investment) purposes, it may use such instruments only within the limits of its investment policy.

#### 1.1. Determination of the global exposure

According to the Circular 11/512, the Management Company must calculate the sub-fund's global exposure at least **once a day**. The limits on global exposure must be complied with on an ongoing basis.

It is the responsibility of the Management Company to select an appropriate methodology to calculate the global exposure. More specifically, the selection should be based on the self-assessment by the Management Company of the sub-fund's risk profile resulting from its investment policy (including its use of financial derivative instruments).

#### 1.2. Risk measurement methodology according to the sub-fund's risk profile

The sub-funds are classified after a self-assessment of their risk profile resulting from their investments policy including their inherent derivative investment strategy that determines two risk measurements methodologies:

- The advanced risk measurement methodology such as the Value-at-Risk (VaR) approach to calculate global exposure where:
  - (a) The sub-fund engages in complex investment strategies which represent more than a negligible part of the sub-funds' investment policy;
  - (b) The sub-fund has more than a negligible exposure to exotic financial derivative instruments; or
  - (c) The commitment approach doesn't adequately capture the market risk of the portfolio.

**The sub-fund(s) under VaR are listed in point 1.4.**

- The commitment approach methodology to calculate the global exposure should be used in every other case.

#### 1.3. Calculation of the global exposure

##### 1.3.1. For sub-funds that use the **commitment approach methodology**:

- The commitment conversion methodology for **standard derivatives** is always the market value of the equivalent position in the underlying asset. This may be replaced by the notional value or the price of the futures contract where this is more conservative.
- For **non-standard derivatives**, an alternative approach may be used provided that the total amount of the financial derivative instruments represents a negligible portion of the sub-fund's portfolio;
- For **structured sub-funds**, the calculation method is described in the ESMA/2011/112 guidelines.

A financial derivative instrument is not taken into account when calculating the commitment if it meets both of the following conditions:

- (a) The combined holding by the sub-fund of a financial derivative instrument relating to a financial asset and cash which is invested in risk free assets is equivalent to holding a cash position in the given financial asset.
- (b) The financial derivative instrument is not considered to generate any incremental exposure and leverage or market risk.

The sub-fund's total commitment to financial derivative instruments, limited to 100 % of the portfolio's total net value, is quantified as the sum, as an absolute value, of the individual commitments, after possible netting and hedging arrangements.

##### 1.3.2. For sub-funds that use the **VaR** (Value at Risk) methodology, the global exposure is determined on a daily basis by calculating, the maximum potential loss at a given confidence level over a specific time period under normal market conditions.

Given the sub-fund's risk profile and investment strategy, the **relative VaR approach** or the **absolute VaR approach** can be used:

- In the **relative VaR approach**, a leverage free reference portfolio reflecting the investment strategy is defined and the sub-fund's VaR cannot be greater than twice the reference portfolio VaR.
- The **absolute VaR approach** concerns sub-funds investing in multi-asset classes and that do not define any investment target in relation to a benchmark but rather as an absolute return target; the level of the absolute VaR is strictly limited to 20%.

The **VaR limits** should always be set according to the defined risk profile.

To calculate VaR, the following parameters must be used: a 99% degree of confidence, a holding period of one month (20 days), an actual (historical) observation period for risk factors of at least 1 year (250 days)

The Management Company carries out a monthly **back testing** program and reports on a quarterly basis the excessive number of outlier to the senior management.

The Management Company calculates **stress tests** on a monthly basis in order to facilitate the management of risks associated with possible abnormal movements of the market.



#### 1.4. List of sub-funds using the VaR method to calculate the global exposure, their reference portfolio and leverage levels.

The expected leverage is defined as the sum of the absolute value of the derivatives notionals (without any netting or hedging arrangement) divided by NAV (notionals methodology).

However, there are possibilities that sub-funds deviate from the expected level disclosed below and reach higher leverage levels during their life time.

<i>Sub-funds</i>	<i>VaR approach</i>	<i>Reference Portfolio</i>	<i>Expected leverage</i>
Bond Absolute Return V350	Absolute	-	8.00
Bond Absolute Return V700	Absolute	-	8.00
Bond Euro High Yield	Relative	ML - BB B European Currency Non Financial HY Constrained (HP4N)	0.50
Bond Europe Emerging	Relative	JPM [50% GBI-EM Global Diversified Europe + 50% Euro EMBI Divers. Europe] (EUR)	0.50
Bond USD	Relative	100% Barclays US Aggregate	1.15
Bond World	Relative	Barclays Global Aggregate Gross Return	4.50
Bond World Emerging	Relative	JPM EMBI Global Diversified	0.50
Bond World Income	Absolute	-	4.00
Bond World Inflation-linked	Relative	Barclays WLD Government Inflation Linked All Mat (EUR HD)	2.50
Bond World Plus	Relative	Barclays Global Aggregate (EUR) RI	8.00
Commodities	Relative	Bloomberg Commodity ex-Agriculture and Livestock Capped Total Return	1.00
Convertible Bond Asia	Relative	Thomson Reuters Asia ex-Japan Convertible Bond (USD)	1.00
Convertible Bond Europe	Relative	Thomson Reuters Europe Focus Convertible Bond (EUR)	1.00
Convertible Bond Europe Small Cap	Relative	Thomson Reuters Europe Convertible Bond (EUR)	1.00
Convertible Bond World	Relative	Thomson Reuters Global Focus Hedged Convertible Bond (USD)	1.50
Cross Asset Absolute Return	Absolute	-	6.00
Flexible Bond Euro	Absolute	-	3.00
Flexible Bond Europe Corporate	Absolute	-	2.00
Flexible Equity Europe	Relative	MSCI Europe TR	1.00
Flexible Multi-Asset	Absolute	-	4.00

#### 1.5. Calculation of counterparty risk linked to OTC derivative instruments

In conformity with Section 4.paragraph a) of the Appendix 1, the counterparty risk linked to OTC derivatives and efficient portfolio management techniques concluded by a sub-fund may not exceed 10% of its assets when the counterparty is a credit institution cited in Section 1.paragraph f) of the Appendix 1, or 5% of its assets in other cases.

The counterparty risk linked to OTC financial derivatives shall be based, as the positive mark to market value of the contract.

#### 1.6. Valuation of OTC derivatives

Per in conformity with Section 1. paragraph g) of the Appendix 1, the Management Company will establish, document, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of OTC derivatives.

#### 1.7. Method of calculating total market risk for Feeder sub-funds:

The global exposure of a Feeder sub-fund will be calculated by combining its own exposure through financial derivative instruments, with either:

- the Master actual exposure through financial derivative instruments in proportion to the Feeder investment into the Master; or
- the Master potential maximal global exposure related to financial derivative instruments as defined by the Master' management rules, or Articles of Association in proportion to the Feeder investment into the Master.



#### 1.8. Efficient Portfolio Management techniques

##### 1.8.1. The used techniques and instruments fulfil the following criteria in accordance with the Circular 14/592:

- (a) They are economically appropriate in that they are realised in a cost-effective way;
- (b) They are entered into for one or more of the following specific aims:
  - (i) reduction of risk;
  - (ii) reduction of cost;
  - (iii) generation of additional capital or income for a sub-fund with a level of risk which is consistent with the risk profile of the sub-fund and the risk diversification rules described in Section 4. of the Appendix 1;
- (c) Their risks are adequately captured by the risk management process of the sub-fund.

##### 1.8.2. Techniques and instruments which comply with the criteria set out in point 1.8.1. and which relate to money market instruments shall be regarded as techniques and instruments relating to money market instruments for the purpose of efficient portfolio management.

##### 1.8.3. The used techniques and instruments will not

- a) result in a change of the investment objective of the concerned sub-fund; or
- b) add substantial supplementary risks in comparison to the original risk policy of the sub-fund.

##### 1.8.4. Direct and indirect operational costs/fees arising from efficient portfolio management techniques may be deducted from the revenue delivered to the concerned sub-funds. The lending agent for the Company, BNP Paribas Securities Services, receives a fee of maximum 20% of the gross revenue for its services. BNP Paribas Securities Services is a wholly-owned subsidiary of the BNP Paribas Group. These costs and fees will not include hidden revenues.

##### 1.8.5. The following information will be disclosed in the annual report of the Company:

- a) the exposure of each sub-fund obtained through efficient portfolio management techniques;
- b) the identity of the counterparty(ies) to these efficient portfolio management techniques;
- c) the type and amount of collateral received by the sub-funds to reduce counterparty exposure; and
- d) the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

#### 1.9. Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques in accordance with the Circular 14/592

All assets received in this context will be considered as collateral and will comply with the below criteria.

##### 1.9.1. All collateral used to reduce counterparty risk exposure will comply with the following criteria at all times:

- a) Liquidity – any collateral received other than cash will be highly liquid and dealt in on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received will also comply with the provisions of the Section 8 of the Appendix 1.
- b) Valuation – collateral received will be valued on at least a daily basis and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place.
- c) Risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated by the risk management process.
- d) Where there is a title transfer, the collateral received will be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- e) Collateral received will be capable of being fully enforced at any time without reference to or approval from the counterparty.

##### 1.9.2. Re-invested cash collateral will be diversified in accordance with the diversification requirements applicable to non-cash collateral.

##### 1.9.3. For all the sub-funds receiving collateral for at least 30% of their assets, the Management Company will set up, in accordance with the Circular 14/592, an appropriate stress testing policy to ensure regular stress tests under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral.

##### 1.9.4. The Management Company will set up, in accordance with the Circular 14/592, a clear haircut policy adapted for each class of assets received as collateral.



## 1.9.5. Public regulatory Collateral grid

Asset Class	Minimum Rating accepted	Margin required / NAV	Cap by asset class / NAV	Cap by Issuer / NAV
Cash (EUR, USD and GBP)		[100 - 102%]	100%	
Fixed Income				
Eligible OECD Government Bonds	AAA	[100 - 105%]	100%	20%
Eligible Supra & Agencies	AAA	[100 - 105%]	100%	20%
Other Eligible Countries Government Bonds	BBB	[100 - 115%]	100%	20%
Eligible OECD Corporate Bonds	A	[100 - 117%]	100%	20%
Eligible OECD Corporate Bonds	BBB	[100 - 140%]	[10% - 30%]	20%
Eligible OECD Convertible Bonds	A	[100 - 117%]	[10% - 30%]	20%
Eligible OECD Convertible Bonds	BBB	[100 - 140%]	[10% - 30%]	20%
Money Market Units (1)	UCITS IV	[100 - 110%]	100%	20%
CD's (eligible OECD and other eligible countries)	A	[100 - 107%]	[10% - 30%]	20%
Eligible indices & Single equities linked		[100% - 140%]	100%	20%
Securitization (2)		[100% - 132%]	100%	20%

(1) Only Money Markets funds managed by BNPP IP. Any other UCITS eligible only upon ad-hoc approval by BNPP IP Risk

(2) Subject to conditions and ad-hoc approval by BNPP IP Risk

Reminder:

The collateral received by a sub-fund should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

Non-cash collateral received should not be sold, re-invested or pledged

Cash collateral received should only be:

- placed on deposit with entities prescribed in Section 1.paragraph f) of the Appendix 1;
- invested in high-quality government bonds;
- used for the purpose of reverse repo transactions provided the transactions are with credit institutions subject to prudential supervision and the sub-fund is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined in the Guidelines on a Common Definition of European money market Funds.

## 1.9.6. Sub-fund entering into OTC financial derivative transactions and efficient portfolio management techniques

All collateral used to reduce counterparty risk exposure should comply with the following criteria at all times:

Collateral diversification (asset concentration) – collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the sub-fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When a sub-fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, a sub-fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by any European Union Member State, one or more of its local authorities, a third country part of the OECD, Brazil, People's Republic of China, India, Russia, Singapore and South Africa, or a public international body to which one or more European Union Member States belong. Such a sub-fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the sub-fund' net asset value.

The Company will enter into transactions with counterparties which the Management Company believes to be creditworthy. They may be related companies at BNP Paribas Group.

Counterparties will be selected by the Management Company with respect for the following criteria: the sound financial situation, the ability to offer a range of products and services corresponding to the requirements of the Management Company, the ability to offer reactivity for operational and legal points, the ability to offer competitive price and the quality of the execution. Counterparties will comply with prudential rules considered by the CSSF as equivalent to EU prudential rules.

The selected counterparties do not assume any discretion over the composition or management of the sub-funds' investment portfolios or over the underlying of the financial derivative instruments, and their approval is not be required in relation to any sub-fund investment portfolio transaction.

The Company' annual report will contain details regarding:

- a) the list of appointed counterparties to efficient portfolio management techniques and OTC derivatives;
- b) the identity of the issuer where collateral received has exceeded 20% of the assets of a sub-fund;
- c) whether a sub-fund has been fully collateralised.





## 2. Provisions concerning specific Instruments

When buying or selling a credit default swap (**CDS**), the Company hedges against the risk of an issuer's default by paying a quarterly premium. In the event of payment default, settlement may be made either in cash, in which case the buyer of the protection receives the difference between the face value and the recoverable value, or in the form of an in-kind settlement, in which case the buyer of the protection sells the defaulting security, or another security chosen from a basket of deliverable securities agreed in the CDS contract, to the seller of the protection and recovers the face value. The events that constitute default are defined in the CDS contract, along with the procedures for delivery of the bonds and debt certificates.

When buying an equity default swap (**EDS**), the Company hedges against the risk of a sharp fall (the current market norm is 70%) in the value of the underlying security on the stock markets, regardless of the cause for the fall, by paying a quarterly premium. When the risk is realised, i.e. when the closing price on the stock market reaches or exceeds the threshold (of – 70%), the payment is made in cash: the buyer of the protection receives a pre-determined percentage (the current European market norm is 50%) of the notional amount initially assured.

A Total Return Swap (**TRS**) is a swap contract on the total performance of a bond or other underlying asset (share, index, etc.) against a reference rate plus a spread. Total performance includes interest coupons, dividends and the profits and losses of the underlying asset during the lifetime of the contract, according to the type of underlying asset involved.

When a sub-fund enters into a TRS or invests in other financial derivative instruments with similar characteristics, its assets will also comply with the provisions of the Sections 4 to 8 of the Appendix 1. The underlying exposures of the financial derivative instruments shall be taken into accounts to calculate the investment limits laid down in Section 4 of the Appendix 1.

When a sub-fund invests in such financial derivative instruments, the following information will be disclosed in the annual report of the Company:

- The underlying strategy and composition of the investment portfolio or index;
- The identification of the counterparty(ies) of the transactions;
- The underlying exposure obtained through financial derivative instruments;
- The type and amount of collateral received by the sub-funds to reduce counterparty exposure.

The counterparty does not assume any discretion over the composition or management of the sub-funds' investment portfolio or over the underlying of the financial derivative instruments, and its approval is not required in relation to any sub-fund investment portfolio transaction.

A contract for difference (**CFD**) is a contract between two parties whereby they agree on a cash payment between them in the amount of the difference between two valuations of the underlying asset, at least one of which is unknown when they enter into the contract. By entering into a CFD, the Company undertakes to pay (or receive) the difference between the valuation of the underlying asset at the time of entering into the contract and the valuation of the underlying asset at a particular moment in the future.

The Company may trade only with first rank financial institutions participating in these markets and specialising in this type of transaction.

The use of CDSs, CFDs and EDSs for purposes other than hedging must comply with the following conditions:

- they must be used exclusively in the interests of shareholders, with the aim of providing an attractive return with respect to the risks incurred;
- the general investment restrictions defined in Appendix 1 are applied to the issuer of the CDSs, CFDs and EDSs and to the final debtor risk of the CDSs, CFDs and EDSs;
- the use of CDSs, CFDs and EDSs is consistent with the investment and risk profiles of the sub-funds concerned;
- each sub-fund must ensure that it has adequate permanent cover of the risks associated with CDSs, CFDs and EDSs so that it is capable of honouring redemption requests from shareholders, and
- the CDSs, CFDs and EDSs selected are sufficiently liquid to allow the sub-funds concerned to sell/unwind the contracts in question at the determined theoretical prices.

**EMTN (Euro Medium Term Notes)** are medium-term debt securities characterised by their high level of flexibility for both the issuer (corporate issuers and public bodies) and the investor. EMTN are issued according to an EMTN programme, which means that use of debt funding can be staggered and the amounts involved varied. The arranger of the issue will not necessarily underwrite it, which means that the issuer cannot be certain of raising the full amount envisaged (it is therefore in the issuer's interest to have a good credit rating).

A structured EMTN is the combination of an EMTN issue and a derivative enabling the conversion of the cash flows generated by the EMTN. For example, if the issuer floats an EMTN that pays LIBOR + spread, and simultaneously enters into a LIBOR/fixed-rate swap over the same period, it obtains the equivalent of a fixed-rate financing, while the investor obtains a floating-rate investment. These structured EMTNs may be subscribed by investment funds seeking to offer their clients personalised products that meet their specific needs in view of their risk profiles.

**Commodity ETPs** refer to all exchange traded products tracking commodity returns. They do not include ETPs tracking the equity of companies involved in the commodity industry.

**Exchange Traded Funds (ETFs)** refer to exchange traded products that are structured and regulated as mutual funds or collective investment schemes:

- United States:** ETFs are registered under the Investment Company Act of 1940. Currently, US ETFs rely on physical delivery of the underlying assets for the creation and redemption of securities;
- European Union:** Most ETFs are UCITS compliant collective investment schemes. UCITS funds are not allowed to invest in physical commodities but they are able to use synthetic index replication to obtain exposure to broad commodity indices that satisfy the relevant diversification requirements;
- Other jurisdictions:** Such as Switzerland, permit ETFs to use physical or synthetic replication to obtain commodities exposure without diversification restrictions.

**Exchange Traded Commodities (ETCs)** trade and settle like ETFs but are structured as debt instruments. They track both broad and single commodity indices. ETC either physically hold the underlying commodity (e.g. physical gold) or get their exposure through fully collateralised swaps.

**Exchange Traded Notes (ETNs)** are similar to ETCs except that they are not collateralised, which means that an investor in an ETN will be fully exposed to issuer credit risk.

- United States:** Publish NAV, AUM or Shares Outstanding information on a daily basis
- Europe:** Are not required to and often do not publicly report NAV, AUM or Share Outstanding information on a regular basis.



### 3. Securities Lending

The Company may enter into securities lending and borrowing transactions provided that they comply with the following Circulars 08/356 and 14/592 rules:

3.1. The Company may only lend or borrow securities through a standardised system organised by a recognised clearing institution or through a first class financial institution specialising in this type of transaction.

The CSSF requires the following from the borrower:

- Collateral from the borrower is mandatory;
- The borrower must be subject to prudential supervision rules which are considered by the CSSF as equivalent to those provided by the Community Law.

3.2. Limits on securities lending transactions

The Company must ensure that the volume of the securities lending transactions is kept at an appropriate level or must be able to ask for the restitution of the securities lent in a manner such that it may at any time meet its redemption obligation and that these transaction do not compromise the management of the Company's assets in accordance with its investment policy.

3.3. Limitation of the counterparty risk and receipt of appropriate collateral

At any time, in securities lending transactions, the value of collateral received by the fund must cover at least the total value of the lent securities (interest, dividends and other potential rights included).

The net exposure (*i.e.* the exposures of the Company less the collateral received by the Company) to a counterparty shall be taken into account in the 20% limit provided for Section 4.paragraph b) of the Appendix 1.

Daily valuation of the collateral is required.

3.4. Acceptable receiving collateral

- a) Liquid assets (cash, short term bank deposits, money market instruments, letter of credit);
- b) OECD sovereign bonds;
- c) Shares or units issued by money market UCIs (daily calculation and S&P AAA rating or equivalent);
- d) Shares or units issued by UCITS investing in bonds/shares mentioned below;
- e) Bonds issued or guaranteed by first class issuers offering adequate liquidity;
- f) Shares listed or dealt on a regulated market of the EU or on a stock exchange of a Member State of the OECD, provided that they are included in a main index and that their issuer is not affiliated to the counterparty;
- g) Direct investments in bonds or shares with the characteristics mentioned in (e) and (f)

3.5. Reinvestment of cash provided as collateral

The Company may re-invest the cash it has received as collateral in the following eligible instruments:

- a) Money market UCIs (daily calculation and S&P AAA rating or equivalent);
- b) Short-term bank deposits;
- c) Money market instruments;
- d) Short-term bonds issued or guaranteed by a Member State of the European Union, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
- e) Bonds issued or guaranteed by first class issuers offering adequate liquidity, and
- f) Reverse repurchase agreement transactions
  - The financial assets other than bank deposit and units of UCIs that the Company has acquired by reinvesting the cash collateral must not be issued by an entity affiliated to the counterparty;
  - The financial assets acquired via the reinvestment of the cash collateral must not be kept with the counterparty, except if it is legally segregated from the counterparty's assets;
  - The financial assets acquired via the reinvestment of the cash collateral may not be pledged unless the Company has sufficient liquidities to be able to return the received collateral in the form of cash.

3.6. Reinvested cash collateral limits applicable

Exposures arising from the reinvestment of collateral received by the Company shall be taken into account within the diversification limits applicable under the Appendix 1.

### 4. Repurchase Agreements / Reverse Repurchase Agreements

4.1. In accordance with the Circulars 08/356 and 14/592, each sub-fund, may engage in repurchase agreements and/or reverse repurchase agreements.

Repurchase agreements transactions consist of a forward transactions at the maturity of which the sub-fund has the obligation to repurchase the asset sold and the buyer (the counterparty) the obligation to return the asset received under the transaction.

Reverse repurchase agreement consist of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the asset sold and the sub-fund the obligation to return the asset received under the transaction.

However, the involvement of a sub-fund in such agreements is subject to the following rules:

- a) Each sub-fund may buy or sell securities with repurchase options only if the counterparties in these agreements are first-rank financial institutions specialising in this type of transaction; and
- b) During the lifetime of a reverse repurchase agreement, a sub-fund may not sell the securities forming the subject of the contract until the counterparty's repurchase option has been exercised or the reverse repurchase term has expired.

In addition, each sub-fund must ensure that the value of the reverse repurchase agreement transactions is at a level that the sub-fund is capable at all times to meet its redemption obligation towards shareholders.



#### 4.2. Eligible securities for reverse repurchase transaction:

- a) Short-term bank certificates;
- b) Money market instruments;
- c) Bonds issued or guaranteed by a member of state of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature;
- d) Money market UCIs (daily calculation and S&P AAA rated or equivalent);
- e) Bonds issued by non-governmental issuers offering an adequate liquidity;
- f) Shares listed or dealt on a regulated market of the EU or on a stock exchange of a member state of the OECD, provided that they are included in a main index.

#### 4.3. Limits for reverse repurchase transactions

The securities which are the subject of reverse repurchase transactions must be compliant with the investment policy of the Company and must together with the other securities which the Company holds in its portfolio, globally comply with the investment restrictions of the Company.

A sub-fund that enters into a reverse repurchase agreement will ensure that:

- At any time the sub-fund may recall the full amount of cash or terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value of the sub-fund.
- At any time the sub-fund may recall any securities subject to the repurchase agreement or terminate the repurchase agreement into which it has entered.
- Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the sub-fund.

#### 4.4. Limits for repurchase transactions

As the assets received must be considered as collateral the point 1.9 above will applied.

#### 5. Particular Requirements in Taiwan

In addition to the prohibition on investing in gold, property and commodities (general rules already cited in Section 2.b) and 3. of the Appendix 1 each sub-fund registered and marketed in Taiwan shall comply with the following additional requirements:

- The total value of open long positions on financial derivative instruments may not exceed 40% of the net assets of the sub-fund;
- The total value of open short positions on financial derivative instruments may not exceed the total market value of the corresponding securities held by the sub-fund.

Specific derogation approval has been granted by the regulator in April 2008 and March 2012.





## APPENDIX 3 – INVESTMENT RISKS

Potential investors are asked to read the prospectus carefully in its entirety before making an investment. Any investments may also be affected by changes relating to rules governing exchange rate controls, taxation and deductions at source, as well as those relating to economic and monetary policies.

Investors are also warned that sub-fund performance may not be in line with stated aims and that the capital they invest (after subscription commissions have been deducted) may not be returned to them in full.

Sub-funds are exposed to various risks that differ according to their investment policies. The main risks that sub-funds are likely to be exposed to are listed below.

Some sub-funds may be particularly sensitive to one or several specific risks which are increasing their risk profiles compared to sub-funds sensitive only to generic risk; in such case those risks are specifically mentioned in the Book II.

### I. SPECIFIC MARKET RISKS

#### I.A. Specific Risks mentioned in the KIIDs

##### Counterparty Risk

This risk relates to the quality or the default of the counterparty with which the Management Company negotiates, in particular involving payment for/delivery of financial instruments and the signing of agreements involving forward financial instruments. This risk is associated with the ability of the counterparty to fulfil its commitments (for example: payment, delivery and reimbursement). This risk also relates to efficient portfolio management techniques and instruments. If counterparty does not live up to its contractual obligations, it may affect investor returns.

##### Credit Risk

*This risk is present in each sub-fund having debt securities in its investment universe.*

This is the risk that may derive from the rating downgrade or the default of a bond issuer to which the sub-funds are exposed, which may therefore cause the value of the investments to go down. Such risks relate to the ability of an issuer to honour its debts.

Downgrades of an issue or issuer rating may lead to a drop in the value of bonds in which the sub-fund has invested.

Some strategies utilised may be based on bonds issued by issuers with a high credit risk (junk bonds).

Sub-funds investing in high-yield bonds present a higher than average risk due to the greater fluctuation of their currency or the quality of the issuer.

##### Derivatives Risk

In order to hedge (hedging derivative investments strategy) and/or to leverage the yield of the sub-fund (trading derivative investment strategy), the sub-fund is allowed to use derivative investments' techniques and instruments under the circumstances set forth in Appendices 1 and 2 of the prospectus (in particular, warrants on securities, agreements regarding the exchange of securities, rates, currencies, inflation, volatility and other financial derivative instruments, contracts for difference [CFDs], credit default swaps [CDSs], futures and options on securities, rates or futures).

The investor's attention is drawn to the fact that these financial derivative instruments include leveraging. Because of this, the volatility of these sub-funds is increased.

##### Liquidity Risk

*This risk may concern all financial instruments and impact one or several sub-funds.*

There is a risk that investments made by the sub-funds may become illiquid due to an over-restricted market (often reflected by a very broad bid-ask spread or by substantial price movements), if their "rating" declines or if the economic situation deteriorates; consequently, it may not be possible to sell or buy these investments quickly enough to prevent or minimize a loss in these sub-funds. Moreover, it may not be possible to sell or buy these investments.

##### Operational & Custody Risk:

Some markets (emerging markets) are less regulated than most of the developed countries regulated markets; hence, the services related to custody and liquidation for the funds on such markets could be more risky. Operational risk is the risk of contract on financial markets, the risk of back office operations, custody of securities, as well as administrative problems that could cause a loss to the sub funds. This risk could also result from omissions and inefficient securities processing procedures, computer systems or human errors.

#### I.B. Generic Risks present in all sub-funds

##### Currency Exchange Risk

*This risk is present in each sub-fund having positions denominated in currencies that differ from its Accounting Currency.*

A sub-fund may hold assets denominated in currencies that differ from its Accounting Currency, and may be affected by exchange rate fluctuations between the Accounting Currency and the other currencies and by changes in exchange rate controls. If the currency in which a security is denominated appreciates in relation to the Accounting Currency of the sub-fund, the exchange value of the security in the Accounting Currency will appreciate; conversely, a depreciation of the denomination currency will lead to a depreciation in the exchange value of the security.

When the manager is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective.

##### Efficient Portfolio Management Techniques Risk

*This risk is present in each sub-fund using efficient portfolio management techniques.*

Efficient portfolio management techniques, such as securities lending, repurchase and reverse repurchase transactions, and particularly with respect to the quality of the collateral received / reinvested, may lead to several risks such as liquidity risk, counterparty risk, issuer risk, valuation risk and settlement risk, which can have an impact on the performance of the sub-fund concerned.

**Equity Markets Risk**

*This risk is present in each sub-fund having equities in its investment universe.*

The risks associated with investments in equity (and similar instruments) include significant fluctuations in prices, negative information about the issuer or market and the subordination of a company's shares to its bonds. Moreover, these fluctuations are often amplified in the short term.

The risk that one or more companies suffer a downturn or fail to grow can have a negative impact on the performance of the overall portfolio at a given time. There is no guarantee that investors will see an appreciation in value. The value of investments and the income they generate may go down as well as up and it is possible that investors will not recover their initial investment.

There is no guarantee that the investment objective will actually be achieved.

Some sub-funds may invest in initial public offerings ("IPOs"). In this case, there is a risk that the price of the newly floated share may see greater volatility as a result of factors such as the absence of an existing public market, non-seasonal transactions, the limited number of securities that can be traded and a lack of information about the issuer. A sub-fund may hold such securities for only a very short time, which tends to increase the costs.

Sub-funds investing in growth stocks may be more volatile than the market in general and may react differently to economic, political and market developments and to specific information about the issuer. Growth stocks traditionally show higher volatility than other stocks, especially over short periods. These stocks may also be more expensive in relation to their profits than the market in general. Consequently, growth stocks may react with more volatility to variations in profit growth.

Some sub-funds may base their objective on simple equity market growth, which produces higher than average volatility.

Managers may temporarily adopt a more defensive attitude if they consider that the equity market or economy of the countries in which the sub-fund invests is experiencing excessive volatility, a persistent general decline, or other unfavourable conditions. In such circumstances, the sub-fund may be unable to pursue its investment objective.

**Inflation Risk**

Over time, yields of investments may not keep pace with inflation, leading to a reduction of investor's purchasing power.

**Interest Rate Risk**

*This risk is present in each sub-fund having debt securities in its investment universe.*

The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc.

The investor's attention is drawn to the fact that an increase in interest rates results in a decrease in the value of investments in bonds and debt instruments.

**Low Interest Rate Consequence**

*This risk is present in each sub-fund having debt securities in its investment universe.*

A very low level of interest rates may affect the return on short term assets held by monetary funds which may not be sufficient to cover management and operating costs leading to there a structural decrease of the net asset value of the sub-fund.

**Taxation Risk**

The value of an investment may be affected by the application of tax laws in various countries, including withholding tax, changes in government, economic or monetary policy in the countries concerned. As such, no guarantee can be given that the financial objectives will actually be achieved.

**I.C. Specific Risks impacting only some sub-funds (please refer to Book II)****Alternative Investment Strategies Risks:**

Alternative investment strategies involve risks that depend on the type of investment strategy: investment risk (specific risk), model risk, portfolio construction risk, valuation risk (when OTC derivative), counterparty risk, credit risk, liquidity risk, leverage risk (risk that losses exceed the initial investment), financial derivative instruments short selling risk (cf. risks due to short selling via financial derivative instruments).

**Commodity Market Risk**

*This risk is present in each sub-fund having commodities (indirectly invested) in its investment universe.*

Commodity markets may experience significant, sudden price variations that have a direct effect on the valuation of shares and securities that equate to the shares in which a sub-fund may invest and/or indices that a sub-fund may be exposed to.

Moreover, the underlying assets may evolve in a markedly different way from traditional securities markets (equity markets, bond markets etc.)

**Contingent Convertible Risks:**

- **Risk on trigger:** The risk of breach of low triggers is considered as small due to the Point Of Non Viability ("PONV"). Conversely, high triggers could be breached more easily, due to reasons resulting from the bank's normal course of its business (e.g. litigations), as well as from an increase of the regulator adjustments (Risk-Weighted Asset (RWA), or deductions from Common Equity Tier 1 (CET1).
- **Risk on coupons:** Coupons on Tier 2 Contingent Convertibles are "Must Pay". On Additional Tier 1 (AT1), they are fully discretionary, and non cumulable. Moreover, below a certain CET1 ratio which the bank's supervisory authority judges minimal (called "combined buffer"), the coupon cancellation becomes mandatory.
- **Risk on non-call: Tier 1 or Tier 2:** Contingent Convertibles cannot include any incentive to redeem (step-up). They can be called only with the prior approval of the bank's supervisory authority, even when call dates are scheduled. Therefore the risk of non-call is very high, in particular on the AT1 Contingent Convertibles. Furthermore, considering that there is a call option occurring generally every five years only, a mistake on a call anticipation can have large impacts on the valuation.
- **Risk on point of non-viability (PONV):** This risk may happen when there are hints that the bank is facing imminent liquidity problems.



- **Risk on subordination:** Contingent Convertibles issued can question the normal subordination ranking of debt financial instruments: some banks can issue high trigger Tier 2 Contingent Convertibles, then low trigger AT1. If a major loss occurs, the Tier 2 Contingent Convertible will actually be written down before the AT1.
- **Jurisdiction risk:** Contingent Convertibles currently issued depend on a jurisdiction which is almost never the issuer's domestic one. In general, though, the subordination or some other key clauses remain under the domestic law, but it is on a case by case basis.
- **Market risk:** Contingent Convertibles are subject to liquidity and volatility risks.
- **Risk of call at par on special events:** The banks can call the contingent convertibles they own (on regulatory approval) on certain special events: Tax events (if the fiscal treatment changes), or Regulatory events (if the contingent convertible does not qualify as capital anymore because of a change in banking law), amongst others (most of the time, these calls can be done at par).
- **Capital structure inversion risk:** Contrary to classic capital hierarchy, Contingent Convertible Bonds' investors may suffer a loss of capital when equity holders do not.
- **Unknown risk:** The structure of Contingent Convertible Bonds' instruments is innovative and yet untested.
- **Conversion Risk:** The assessment of how the contingent convertible bond could behave upon conversion might be problematic; supposing a conversion into equity, the fund Manager might be required to sell this equity since this type of investment is not allowed in the investment policy leading to possible liquidity issues
- **Write down Risk:** There is a risk that the value of contingent convertible bonds decreases because of their possible overvaluation compared to their market value;
- **Industry Concentration Risk:** Since contingent convertible bonds are issued by a limited number of banks, these investments might lead to an industry concentration risk.
- **Yield/Valuation Risk:** Investors have been drawn to the instrument as a result of the Contingent Convertible Bonds' often attractive yield which may be viewed as a complexity premium.

#### **Distressed (Default) Securities Risks:**

Holding distressed securities creates significant risk due to the possibility that bankruptcy may render such securities worthless (zero recovery). While potentially lucrative, these investment strategies require significant levels of resources and expertise to analyze each instrument and assess its position in an issuer's capital structure along with the likelihood of ultimate recovery. Distressed securities tend to trade at substantial discounts to their intrinsic or par value and are therefore considered to be below investment grade. Under certain circumstances the sub-fund could sale these positions in the investor interest.

#### **Emerging Markets Risk**

*This risk is present in each sub-fund having emerging markets investments in its investment universe.*

Sub-funds investing in emerging markets are likely to be subject to a higher than average volatility due to a high degree of concentration, greater uncertainty because less information is available, there is less liquidity, or due to greater sensitivity to changes in market conditions (social, political and economic conditions). In addition, some emerging markets offer less security than the majority of international developed markets and certain markets are not currently considered to be regulated markets. For this reason, services for portfolio transactions, liquidation and conservation on behalf of funds invested in emerging markets may carry greater risk.

The Company and investors agree to bear these risks.

#### **High Yield Bond Risk**

When investing in fixed income securities rated below investment grade, there is a higher risk that such the issuer is unable or unwilling to meet its obligations, therefore exposing the sub-fund to a loss corresponding to the amount invested in such security.

#### **Risks related to investments in some countries**

Investments in some countries (e.g. China, Greece, India, Indonesia, Japan, Saudi Arabia, and Thailand) involve risks linked to restrictions imposed on foreign investors and counterparties, higher market volatility and the risk of lack of liquidity for some lines of the portfolio. Consequently, some shares may not be available to the sub-fund due to the number of foreign shareholders authorised or if the total investments permitted for foreign shareholders have been reached. In addition, the repatriation by foreign investors of their share of net profits, capital and dividends may be restricted or require the approval of the government. The Company will only invest if it considers that the restrictions are acceptable. However, no guarantee can be given that additional restrictions will not be imposed in future.

#### **Small Cap, Specialised or Restricted Sectors Risk**

*This risk is present in each sub-fund having small caps, specialised or restricted sectors investments in its investment universe.*

Sub-funds investing in small caps or specialised or restricted sectors are likely to be subject to a higher than average volatility due to a high degree of concentration, greater uncertainty because less information is available, there is less liquidity, or due to greater sensitivity to changes in market conditions.

Smaller companies may find themselves unable to generate new funds to support their growth and development, they may lack vision in management, or they may develop products for new, uncertain markets.

The Company and investors agree to bear these risks.

#### **Structured Debt Securities/Securitised Products Risks:**

Structured Debt Securities and Securitised Products involve following risks:

Interest rate risk (duration risk): prices fall as interest rates rise due to fixed coupon rates

- **Prepayment risk:** the risk that the mortgage holder (the borrower) will pay back the mortgage before its maturity date, which reduces the amount of interest the investor would have otherwise received. Prepayment, in this sense, is a payment in excess of the scheduled principal payment. This situation may arise if the current market interest rate falls below the interest rate of the mortgage, since the homeowner is more likely to refinance the mortgage. Unanticipated prepayments can change the value of some MBS.
- **Term structure risk:** monthly principal cash flows cause a ladder structure; the value of securities can be affected by a steepening or flattening of the yield curve.
- **Credit risk:** the agency market has little or no credit risk; the non-agency market has varying levels of credit risk.
- **Default risk and downgrading risk :** it can be due to the borrower's failure to make timely interest and principal payments when due; default may result from a borrower's failure to meet other obligations as well as the maintenance of collateral as specified in the prospectus.



An investor's indicator of a security's default can be its credit rating. Because of the credit enhancements required for ABS by the rating agencies, the senior classes of most issues receive a triple-A, the highest rating available. The B, C and any lower classes of an ABS issue are lower-rated or unrated and, indeed, are designed to absorb any losses before the senior tranche. Prospective buyers of these pieces of an issue must decide if the increased risk of default is balanced by the higher returns these classes pay. - Liquidity risk: the market for privately (non – Agency) issued Mortgage Backed Securities is smaller and less liquid than the market for Agency Mortgage Backed Securities; the Company will only invest in Asset-Backed Securities that the Investment Manager trusts to be liquid. Legal Risk: non-mortgage related Asset-Backed Securities may not have the benefit of any legal title on the underlying assets and recoveries on repossessed collateral may not, in some cases, be available to support payments on these securities.

More detailed risk warnings about structured debt

**Risk linked to Mortgage and other Asset-Backed Securities (ABS)**

The yield characteristics of **Mortgage** and other **Asset-Backed Securities** differ from traditional debt securities.

A major difference is that the principal amount of the obligation generally may be prepaid at any time because the underlying assets generally may be prepaid at any time. As a result, if an **Asset-Backed Security** is purchased at a premium, a prepayment rate that is faster than expected will reduce yield to maturity, while a prepayment rate that is slower than expected will have the opposite effect of increasing yield to maturity.

Conversely, if an **Asset-Backed Security** is purchased at a discount, faster than expected prepayments will increase, while slower than expected prepayments will decrease, yield to maturity.

Generally, pre-payments on fixed-rate mortgage loans will increase during a period of falling interest rates and decrease during a period of rising interest rates. **Mortgage and Asset-Backed Securities** may also decrease in value as a result of increases in interest rates and, because of prepayments, may benefit less than other fixed income securities from declining interest rates. Reinvestment of prepayments may occur at lower interest rates than the original investment, thus adversely affecting a sub-fund's yield. Actual prepayment experience may cause the yield of Asset-Backed Securities to differ from what was assumed when the Company purchased the security.

**Risk linked to CMO, CBO, CDO, and CLO**

Classes or tranches may be specially structured in a manner that provides any of a wide variety of investment characteristics, such as yield, effective maturity and interest rate sensitivity. As market conditions change, however, and especially during periods of rapid or unanticipated changes in market interest rates, the attractiveness of some CDO Classes and the ability of the structure to provide the anticipated investment characteristics may be significantly reduced. These changes can result in volatility in the market value, and in some instances reduced liquidity, of the CDO Classes.

Certain Classes of CMOs are structured in a manner that makes them extremely sensitive to changes in prepayments rates. IO (Interest Only) and PO (Principal Only) Classes are examples of this. IO Classes are entitled to receive all or a portion of the interest, but none (or only a nominal amount) of the principal payments, from the underlying mortgage assets. If the mortgage assets underlying an IO experience greater than anticipated principal prepayments, then

the total amount of interest payments allocable to the IO Class, and therefore the yield to investors, generally will be reduced. In some instances, an investor in an IO may fail to recoup all of his or her initial investment, even if the securities are government guaranteed or considered to be of the highest quality (rated AAA or the equivalent). Conversely, PO Classes are entitled to receive all or a portion of the principal payments, but none of the interest, from the underlying mortgage assets. PO Classes are purchased at substantial discounts from par, and the yield to investors will be reduced if principal prepayments are slower than expected. Some IOs and POs, as well as other CMO Classes, are structured to have special protections against the effect of prepayments. These structural protections, however, normally are effective only within certain ranges of prepayments rates and thus will not protect investors in all circumstances.

Inverse floating rate CMO Classes also may be extremely volatile. These Classes pay interest at a rate that decreases when a specified index of market rates increases.

**Warrant Risk**

The investor's attention is drawn to the fact that warrants are complex, volatile, high-risk instruments: the risk of a total loss of the invested capital is great. In addition, one of the principal characteristics of warrants is the "leverage effect", which is seen in the fact that a change in the value of the underlying asset can have a disproportionate effect on the value of the warrant. Finally, there is no guarantee that, in the event of an illiquid market, it will be possible to sell the warrant on a secondary market.

**II. SPECIFIC RISKS RELATED TO INVESTMENTS IN MAINLAND CHINA**

Certain sub-funds (the "RQFII sub-funds") may invest in Chinese domestic securities market, i.e. China A-Shares, debt instruments traded on the Chinese Interbank Bond market and other permitted domestic securities in accordance with the investment policies of the relevant sub-fund. Investing in the PRC ("People's Republic of China") carries a high degree of risk. Apart from the usual investment risks, investing in the PRC is also subject to certain other inherent risks and uncertainties.

**Government intervention and restriction risk:**

The economy of China, which has been in a state of transition from a planned economy to a more market oriented economy, differs from the economies of most developed countries in many respects, including the level of government involvement, state of development, growth rate, control of foreign exchange and allocation of resources. Such interventions or restrictions by the PRC government may affect the trading of Chinese domestic securities and have an adverse effect of the relevant RQFII Sub-Fund,

The PRC government has in recent years implemented economic reform measures emphasising the utilisation of market forces in the development of the PRC's economy and a high level of management autonomy. However, there can be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any adjustment and modification of those economic policies may have an adverse impact on the securities markets in the PRC as well as on overseas companies which trade with or invest in the PRC.

Moreover, the PRC government may intervene in the economy, possible interventions include restrictions on investment in companies or industries deemed sensitive to relevant national interests. In addition, the PRC government may also intervene in the financial markets by, such as but not limited to, the imposition of trading restrictions or the suspension of short selling for certain stocks. Such interventions may induce a





negative impact on the market sentiment which may in turn affect the performance of the RQFII sub-funds. Investment objective of the RQFII sub-funds may be failed to achieve as a result.

The PRC legal system may not have the level of consistency or predictability as in other countries with more developed legal systems. Due to such inconsistency and unpredictability, if the RQFII sub-funds were to be involved in any legal dispute in the PRC, it may experience difficulties in obtaining legal redress or in enforcing its legal rights. Thus, such inconsistency or future changes in legislation or the interpretation thereof may have adverse impact upon the investments and the performance of the RQFII sub-funds in the PRC.

#### PRC Political, Economic and Social Risks:

The economy of the PRC has experienced significant growth in the past twenty years, but growth has been uneven both geographically and among various sectors of the economy. Economic growth has also been accompanied by periods of high inflation. The PRC government may from time to time adopt corrective measures to control inflation and restrain the rate of economic growth, which may also have an adverse impact on the capital growth and performance of the RQFII sub-funds. Further, political changes, social instability and adverse diplomatic developments in the PRC could result in the imposition of additional government restrictions including the expropriation of assets, confiscatory taxes or nationalisation of some or all of the investments held by the underlying securities in which the RQFII sub-funds may invest.

#### Government control of currency conversion and future movements in exchange rates:

Currently, the RMB is traded in two different and separated markets, i.e. one in the Mainland China, and one outside the Mainland China (primarily in Hong Kong). The two RMB markets operate independently where the flow between them is highly restricted. Though the CNH is a proxy's of the CNY, they do not necessarily have the same exchange rate and their movement may not be in the same direction. This is because these currencies act in separate jurisdictions, which leads to separate supply and demand conditions for each, and therefore separate but related currency markets. While the RMB traded outside the Mainland China, the CNH, is subject to different regulatory requirements and is more freely tradable, the RMB traded in the Mainland China, the CNY, is not a freely convertible currency and is subject to foreign exchange control policies of and repatriation restrictions imposed by the central government of the Mainland China. Investors should note that such restrictions may limit the depth of the RMB market available outside of Mainland China. If such policies or restrictions change in the future, the position of the RQFII sub-funds or its Shareholders may be adversely affected. Generally speaking, the conversion of CNY into another currency for capital account transactions is subject to SAFE ("State Administration of Foreign Exchange") approvals. Such conversion rate is based on a managed floating exchange rate system which allows the value of CNY to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. Any divergence between CNH and CNY may adversely impact investors who intend to gain exposure to CNY through investments in a RQFII sub-fund.

#### Accounting and Reporting Standards:

PRC companies which may issue RMB securities to be invested by the RQFII sub-funds are required to follow PRC accounting standards and practices which follow international accounting standards to a certain extent. However, the accounting, auditing and financial reporting standards and practices applicable to PRC companies may be less rigorous, and there may be significant differences between financial statements prepared in accordance with the PRC accounting standards and practice and those prepared in accordance with international accounting standards. As the disclosure and regulatory standards in China are less stringent than in more developed markets, there might be substantially less publicly available information about Chinese issuers. Therefore, less information may be available to the RQFII sub-funds and other investors. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.

#### Changes in PRC taxation risk:

Investment in the RQFII sub-funds may involve risks due to unclear fiscal measures in the PRC. According to PRC tax laws, regulations and policies ("PRC Tax Rules"), RQFIIs without an establishment or place in China are temporarily exempt from withholding income tax on capital gains derived from the trading of equity investment assets (including A-shares). There are no specific PRC Tax Rules which govern the taxation of gains on the disposal of other investments, such as debt securities, futures and listed fund investments and the current practice of exemption may not be consistently applied to all such investments and is based on verbal comments and practice of the tax administration. The PRC Tax Rules may not be interpreted and applied as consistent and transparent as those of more developed countries and may vary from city to city and in some cases certain taxes which could be considered payable are not actively enforced for collection, nor is any mechanism provided for payment. Moreover, the existing PRC Tax Rules and practices in relation to RQFII may be changed or amended in the future, e.g.: the PRC government may abolish temporary tax incentives that are currently offered to foreign investors, and they may be changed with retrospective effect and could be applied along with penalties and / or late payment interest. Such new PRC Tax Rules may operate to the advantage or disadvantage of the investors.

Tax provisions could be made for the RQFII sub-funds. Investors should be aware that the net asset value of the RQFII sub-funds on any Valuation Day may not accurately reflect Chinese tax liabilities. Depending on the tax liabilities payable, it may bring positive or negative impact to the performance and net asset value of the RQFII sub-funds. In the event penalties or late payment interest could be applicable due factors such as retrospective amendments, changes in practice or uncertain regulations, this could impact the net asset value at the time of settlement with the PRC tax authorities. In the case where the amount of tax provisions made is less than the tax liabilities payable, the amount of shortfall will be deducted from the RQFII sub-fund's assets and affecting the RQFII sub-fund's net asset value adversely. In the opposite case where the amount of tax provisions made is more than the tax liabilities payable, the release of extra tax provision will affect the RQFII sub-fund's net asset value positively. This will only benefit existing investors. Investors who have redeemed their Shares before the tax liabilities amount is determined will not be entitled to any part of such release of extra tax provision.

#### Specific risks related to investments in Mainland China equity securities

In common with other emerging markets, the Chinese market may be faced with relatively low transaction volumes, and endure periods of lack of liquidity or considerable price volatility. The existence of a liquid trading market for China A-Shares may depend on whether there is supply of, and demand for, such China A-Shares. The price at which securities may be purchased or sold by the RQFII sub-funds and the net asset value of the RQFII sub-funds may be adversely affected if trading volumes on markets for China A-Shares (Shanghai Stock Exchange and Shenzhen Stock Exchange) are limited or absent. The China A-Share market may be more volatile and unstable (for example, due to government intervention or in the case where a particular stock resumes trading at a very different level of price after its suspension). Market volatility and settlement difficulties in the China A-Share markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may affect the value of the RQFII sub-funds. Subscriptions and redemptions of Shares in the RQFII sub-funds may also be disrupted accordingly.

Trading limitations Risk:

Trading band limits are imposed by the stock exchanges in the PRC on China A-Shares, where trading in any China A-Share on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. Considering that PRC securities markets can be frequently affected by trading halts and low trading volume, investors should be aware that A-share markets are more likely to suffer from illiquidity and greater price volatility, which is mostly due to greater government restriction and control relating to A-share markets. A suspension (or a sequence of suspensions) will render the management of the securities involved complicated or make it impossible for the Investment Manager to liquidate positions and/or sell its positions at a favorable price at the worst moment.

Risks related to RQFII investmentsRQFII Regulations:

The RQFII Regulations are relatively new. The application and interpretation of such investment regulations are therefore relatively untested and there is no certainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future.

RQFII Quota:

The Investment Manager of the relevant RQFII sub-funds has obtained a RQFII license and has been granted a RQFII investment quota (the "RQFII Quota") through which the Investment Manager may invest on behalf of RQFII sub-funds directly in China domestic securities. To the extent the Investment Manager has, on behalf of the RQFII sub-funds, utilised its entire RQFII Quota, the Investment Manager may, subject to any applicable regulations, apply for an increase of its RQFII Quota. There can however be no assurance that additional RQFII Quota can be obtained to fully satisfy subscription requests in a RQFII sub-fund, which may result in a need to close such RQFII sub-fund to further subscriptions, to reject and/or (pending receipt of additional RQFII Quota) to defer all or part of any new subscription requests, subject to the provisions of this Prospectus. On the other hand, the size of the quota may generally be reduced or cancelled by the relevant Chinese authorities if the RQFII is unable to use its RQFII Quota effectively within one (1) year since the quota is granted. Also, regulatory sanctions may be imposed on RQFIIs if the latter (or the PRC Custodian – please see "PRC Custodian Risks" below) breach any provision of the RQFII Regulations, which could potentially result in the revocation of the RQFII Quota or other regulatory sanctions that may impact on the portion of the RQFII Quota made available for investment by the RQFII sub-funds. Should the Investment Manager lose its RQFII status or its investment quota is revoked or reduced, a RQFII sub-fund may no longer be able to invest directly in China or may be required to dispose of its investments in the Chinese domestic securities markets held through the RQFII Quota, which could have an adverse effect on its performance or result in a significant loss.

Investment Restrictions and Repatriation Risks:

A RQFII sub-fund may be impacted by the rules and restrictions under the RQFII Regulations (including investment restrictions, limitations on foreign ownership or holdings), which may have an adverse impact on its performance and/or its liquidity. The SAFE regulates and monitors the repatriation of funds out of the PRC by RQFIIs pursuant to the RQFII Regulations. Repatriations by RQFIIs in respect of an open-ended RQFII sub-fund, such as the RQFII sub-funds, conducted in RMB are currently conducted daily and are not subject to repatriation restrictions or prior approval. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on the RQFII sub-funds' ability to meet redemption requests from the Shareholders. In extreme circumstances, the RQFII sub-funds may incur significant loss due to limited investment capabilities, or may not be able fully to implement or pursue its investment objectives or strategies, due to RQFII investment restrictions, illiquidity of the PRC's securities markets, and delay or disruption in execution of trades or in settlement of trades.

PRC Custodian Risks:

The Investment Manager (in its capacity as a RQFII's licence holder) and the Depositary have appointed a local sub-custodian approved by Chinese authorities (the "PRC Custodian") to maintain the RQFII sub-funds' assets in custody in the PRC, pursuant to relevant laws and regulations. Onshore PRC securities are registered in the name of "the full name of the Investment Manager – the name of the RQFII sub-fund" in accordance with the relevant rules and regulations, and maintained by the PRC Custodian in electronic form via a securities account with the China Securities Depository and Clearing Corporation Limited ("ChinaClear") and cash shall be maintained in a cash account with the PRC Custodian.

The Depositary will make arrangements to ensure that the PRC Custodian has appropriate procedures to properly safe-keep the RQFII sub-funds' securities, including maintaining records that clearly show that such RQFII sub-funds' securities are recorded in the name of such RQFII sub-fund and segregated from the other assets of the PRC Custodian. Investors should however note that cash deposited in the cash account of the RQFII sub-funds with the PRC Custodian will not be segregated but will be a debt owing from the PRC Custodian to the RQFII sub-funds. Such cash will be co-mingled with cash belonging to other clients of the PRC Custodian. In the event of bankruptcy or liquidation of the PRC Custodian, the RQFII sub-funds will not have any proprietary rights to the cash deposited in such cash account, and will be treated and ranked an unsecured creditor, ranking pari passu with all other unsecured creditors, of the PRC Custodian. The RQFII sub-funds may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the RQFII sub-funds will suffer losses. Also, the RQFII sub-funds may incur losses due to the acts or omissions of the PRC Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities.

PRC Brokerage Risk:

The execution and settlement of transactions or the transfer of any funds or securities may be conducted by brokers ("PRC Brokers") appointed by the Investment Manager. Reasonably competitive commission rates and prices of securities will generally be sought to execute the relevant transactions in PRC markets. It is possible that, in circumstances where only a single PRC Broker is appointed where it is considered appropriate to do so by the Investment Manager, the RQFII sub-funds may not necessarily pay the lowest commission or spread available, but the transaction execution will be consistent with best execution standards and in the best interest of the Shareholders. Notwithstanding the foregoing, the Investment Manager will seek to obtain the best net results for the RQFII sub-funds, taking into account such factors as prevailing market conditions, price (including the applicable brokerage commission or dealer spread), size of order, difficulties of execution and operational facilities of the PRC Broker involved and the PRC Broker's ability to position efficiently the relevant block of securities.

**Risks related to Stock Connect****Eligible securities**

Stock Connect comprises a Northbound trading link and a Southbound trading link. Under the Northbound trading link, Hong Kong and overseas investors will be able to trade certain stocks listed on the Shanghai Stock Exchange ("SSE") market. These include:

1. All the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index
2. All the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on Hong Kong Exchanges and Clearing Limited ("SEHK"), except the following:
  - (a) SSE-listed shares which are not traded in RMB; and
  - (b) SSE-listed shares which are risk alert shares.

It is expected that the list of eligible securities will be subject to review. If a stock is recalled from the scope of eligible securities for trading via Stock Connect, the stock can only be sold and cannot be bought. This may affect the investment portfolio or strategies of investors. Investors should therefore pay close attention to the list of eligible securities as provided and renewed from time to time by SSE and SEHK.

**Differences in trading day:**

Stock Connect will only operate on days when both the Mainland China and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. So it is possible that there are occasions when it is a normal trading day for the Mainland China market but the sub-funds cannot carry out any China A-Shares trading. The sub-funds may be subject to a risk of price fluctuations in China A-Shares during the time when Stock Connect is not trading as a result. This may adversely affect the sub-funds' ability to access mainland China and effectively pursue their investment strategies. This may also adversely affect the sub-funds' liquidity.

**Settlement and Custody:**

The Hong Kong Securities Clearing Company Limited ("HKSCC") will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by Hong Kong market participants and investors.

The China A-Shares traded through Stock Connect are issued in scriptless form, so sub-funds will not hold any physical China A-Shares. Sub-funds should maintain the China A-Shares with their brokers' or custodians' stock accounts with CCASS (the Central Clearing and Settlement System operated by HKSCC for the clearing securities listed or traded on SEHK).

**Trading fees:**

In addition to paying trading fees in connection with China A-Shares trading, the sub-funds may be subject to new fees which are yet to be determined by the relevant authorities.

**Quota limitations:**

The Stock Connect is subject to quota limitations. In particular, once the Daily Quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the sub-fund's ability to invest in China A-Shares through Stock Connect on a timely basis, and the sub-funds may not be able to effectively pursue its investment strategies.

**Operational risk:**

The Stock Connect provides a new channel for investors from Hong Kong and overseas to access the China stock market directly. Market participants are able to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house. Due to their recent implementation and the uncertainty about their efficiency, accuracy and security, there is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The sub-fund's ability to access the China A-Share market (and hence to pursue its investment strategy) will be adversely affected. Consequently, investors in the China A-Share market should be aware of the economic risk of an investment in those shares, which may lead to a partial or total loss of the invested capital.

**Clearing and settlement risk:**

The HKSCC and ChinaClear will establish the clearing links and each will become a participant of each other to facilitate clearing and settlement of cross-boundary trades. Should ChinaClear be declared as a defaulter, HKSCC's liabilities in trades under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. In that event, the sub-funds may suffer delay in the recovery process or may not be able to fully recover its losses from ChinaClear.

**Regulatory risk:**

The Stock Connect is novel in nature, and will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong from time to time. The regulations are untested and there is no certainty as to how they will be applied.

**Ownership of China A-Shares:**

China A-Shares acquired by the sub-funds through the Stock Connect are recorded in the name of HKSCC in its omnibus account held with ChinaClear. The China A-Shares are held in custody under the depository of ChinaClear and registered in the shareholders' register of the relevant listed Companies. HKSCC will record such China A-Shares in the CCASS stock account of the clearing participant.

Under Hong Kong law, HKSCC will be regarded as the legal owner (nominee owner) of the China A-Shares, holding the beneficial entitlement to the China A-Shares on behalf of the relevant clearing participant.

Under PRC law there is a lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership". The regulatory intention appears to be that the concept of "nominee owner" is recognised under PRC laws and that the overseas investors should have proprietary rights over the China A-Shares. However, as the Stock Connect is a recent initiative there may be some uncertainty surrounding such arrangements. Accordingly, the sub-fund's ability to enforce its rights and interests in the China A-Shares may be adversely affected or suffer delay.

**Investor compensation**

Since the sub-funds will carry out Northbound trading through securities brokers in Hong Kong but not PRC brokers, they are not protected by the China Securities Investor Protection Fund (中國投資者保護基金) in the PRC.



Further information about Stock Connect is available online at the website:

<http://www.hkex.com.hk/eng/csm/chinaConnect.asp?LangCode=en>

### **III. RISKS RELATED TO INVESTMENTS IN CNH SHARE CATEGORIES**

#### China Market Risk

Investing in the offshore RMB market (CNH) is subject to the risks of investing in emerging markets generally. Since 1978, the Chinese government has implemented economic reform measures which emphasize decentralisation and the utilisation of market forces in the development of the Chinese economy, moving from the previous planned economy system. However, many of the economic measures are experimental or unprecedented and may be subject to adjustment and modification.

Any significant change in China's political, social or economic policies may have a negative impact on investments in the China market. The regulatory and legal framework for capital markets and joint stock companies in mainland China may deviate from those of developed countries. Chinese accounting standards and practices may deviate from international accounting standards. The Chinese governments managed process of currency conversion and movements in the RMB exchange rates may adversely affect the operations and financial results of companies in mainland China.

#### RMB Currency Risk

Since 2005, the RMB exchange rate is no longer pegged to the US dollar. RMB has now moved to a managed floating exchange rate based on market supply and demand with reference to a basket of foreign currencies. The daily trading price of the RMB against other main currencies in the inter-bank foreign exchange market is allowed to float within a narrow band around the central parity published by the People's Bank of China. RMB convertibility from offshore RMB (CNH) to onshore RMB (CNY) is a managed currency process subject to foreign exchange control policies of and repatriation restrictions imposed by the Chinese government in coordination with the Hong Kong Monetary Authority (HKMA). The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including without limitation those foreign exchange control policies and repatriation restrictions pursued by the Chinese government from time-to-time as well as other external market forces.

Since 2005, foreign exchange control policies pursued by the Chinese government have resulted in the general appreciation of RMB (both CNH and CNY). This appreciation may or may not continue and there can be no assurance that RMB will not be subject to devaluation at some point. Any devaluation of RMB could adversely affect the value of investors' investments in the Portfolio.

The hedged share class participates in the CNH market, which allows investors to freely transact CNH outside of mainland China with approved banks in the Hong Kong market (HKMA approved banks). The Portfolio will have no requirement to remit CNH to CNY.





## APPENDIX 4 – LIQUIDATION, MERGER, TRANSFER AND SPLITTING PROCEDURES

### *Liquidation, Merger, Transfer, and Splitting of Sub-funds*

The Board of Directors shall have sole authority to decide on the effectiveness and terms of the following, under the limitations and conditions prescribed by the Law:

- 1) either the pure and simple liquidation of a sub-fund;
- 2) or the closure of a sub-fund (merging sub-fund) by transfer to another sub-fund of the Company;
- 3) or the closure of a sub-fund (merging sub-fund) by transfer to another UCI, whether incorporated under Luxembourg law or established in another member state of the European Union;
- 4) or the transfer to a sub-fund (receiving sub-fund) a) of another sub-fund of the Company, and/or b) of a sub-fund of another collective investment undertaking, whether incorporated under Luxembourg law or established in another member state of the European Union, and/or c) of another collective investment undertaking, whether incorporated under Luxembourg law or established in another member state of the European Union;
- 5) or the splitting of a sub-fund.

The splitting techniques will be the same as the merger one foreseen by the Law.

As an exception to the foregoing, if the Company should cease to exist as a result of such a merger, the effectiveness of this merger must be decided by a General Meeting of Shareholders of the Company resolving validly whatever the portion of the capital represented. The resolutions are taken by a simple majority of the votes expressed. The expressed votes do not include those attached to the shares for which the shareholder did not take part in the vote, abstained or voted white or no.

To avoid any investment breach due to the merger, and in the interest of the shareholders, the investment manager might need to rebalance the portfolio of the Merging sub-fund before the merger. Such rebalancing shall be compliant with the investment policy of the Receiving sub-fund.

In the event of the pure and simple liquidation of a sub-fund, the net assets shall be distributed between the eligible parties in proportion to the assets they own in said sub-fund. The assets not distributed at the time of the closure of the liquidation and at the latest within nine months of the date of the decision to liquidate shall be deposited with the Luxembourg *Caisse de Consignation* until the end of the legally specified limitation period.

Pursuant to this matter, the decision adopted at the level of a sub-fund may be adopted similarly at the level of a category or a class.

### *Liquidation of a Feeder Sub-fund*

A Feeder sub-fund will be liquidated:

- a) when the Master is liquidated, unless the CSSF grants approval to the feeder to:
  - invest at least 85% of the assets in units, or shares of another Master; or
  - amend its investment policy in order to convert into a non-Feeder.
- b) when the Master merges with another UCITS, or sub-fund or is divided into two or more UCITS, or sub-fund unless the CSSF grants approval to the feeder to:
  - continue to be a Feeder of the same Master or the Master resulting from the merger or division of the Master;
  - invest at least 85% of its assets in units, or shares of another Master; or
  - amend its investment policy in order to convert into a non-Feeder.

### *Dissolution and Liquidation of the Company*

The Board of Directors may, at any time and for any reason whatsoever, propose to the General Meeting the dissolution and liquidation of the Company. The General Meeting will give its ruling in accordance with the same procedure as for amendments to the Articles of Association.

If the Company's capital falls below two-thirds of the minimum legal capital, the Board of Directors may submit the question of the Company's dissolution to the General Meeting. The General Meeting, for which no quorum is applicable, will decide based on a simple majority of the votes of shareholders present or represented, account shall not be taken of abstentions.

If the Company's capital falls below one-quarter of the minimum legal capital, the Board of Directors shall submit the question of the Company's dissolution to the General Meeting. The General Meeting, for which no quorum is applicable, will decide based on a part of one-quarter of the votes of shareholders present or represented, account shall not be taken of abstentions.

In the event of the Company's dissolution, the liquidation will be conducted by one or more liquidators that may be individuals or legal entities. They will be appointed by the General Shareholders' Meeting, which will determine their powers and remuneration, without prejudice to the application of the Law.

The net proceeds of the liquidation of each sub-fund, category, or class will be distributed by the liquidators to the shareholders of each sub-fund, category, or class in proportion to the number of shares they hold in the sub-fund, category, or class.

In the case of straightforward liquidation of the Company, the net assets will be distributed to the eligible parties in proportion to the shares held in the Company. Net assets not distributed at the time of the closure of the liquidation and at the latest within a maximum period of nine months effective from the date of the liquidation will be deposited at the Luxembourg *Caisse de Consignation* until the end of the legally specified limitation period.

The calculation of the net asset value, and all subscriptions, conversions and redemptions of shares in these sub-funds, categories, or classes will also be suspended throughout the liquidation period.

The General Meeting must be held within forty days of the date on which it is ascertained that the Company's net assets have fallen below the minimum legal threshold of two-thirds or one-quarter, as applicable.



## BOOK II



## PARVEST Bond Asia ex-Japan

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets in bonds or other similar securities, denominated in various currencies, of issuers that have their registered offices in or conduct the majority of their business activity in Asia (excluding Japan) and in financial derivative instruments on this type of asset.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in fixed income securities;
- ✓ Can accept low to medium market risks.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823379622	No	USD	
Classic	DIS	LU0823379895	Annual	USD	
Classic MD	DIS	LU0823379549	Monthly	USD	
Classic EUR	CAP	LU0823378905	No	EUR	
Classic EUR	DIS	LU0823379036	Annual	EUR	
Classic RH AUD MD	DIS	LU0823379119	Monthly	AUD	
Classic RH CHF	CAP	LU0823378814	No	CHF	
N RH EUR	DIS	LU0950364736	Annual	EUR	
Classic RH EUR	CAP	LU0823379382	No	EUR	
Classic RH HKD MD	DIS	LU0950364819	Monthly	HKD	
Classic RH SGD MD	DIS	LU0823379465	Monthly	SGD	
N	CAP	LU0823380042	No	USD	
Privilege	CAP	LU0823380125	No	USD	
Privilege	DIS	LU0823380398	Annual	USD	
Privilege MD	DIS	LU0925120452	Monthly	USD	
Privilege RH GBP	CAP	LU0950365113	No	GBP	
I	CAP	LU0823379978	No	USD	
I	DIS	LU0950364900	Annual	USD	
I RH EUR	CAP	LU0841409963	No	EUR	
X	CAP	LU0823380471	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Bond Asia ex-Japan

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.25%	No	none	0.30%	0.05%	3%	1.50%	none
N	1.25%	No	0.50%	0.30%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.30%	0.05%	3%	1.50%	none
I	0.60%	No	none	0.17%	0.01%	none	none	none
X	none	No	none	0.17%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

*Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.*

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 8 December 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) by contribution of the "Asia Bond Fund" sub-fund of the sicav ABN AMRO Funds.

Transfer in the Company on 21 May 2013

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Bond Best Selection World Emerging

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets in a limited number of bonds and debt securities or other similar securities issued by emerging countries (defined as non OECD countries prior to 1 January 1994 together with Turkey and Greece) or by companies characterised by a strong financial structure and/or potential for profitable growth that have their registered offices or conduct a majority of their business activities in these countries, as well as in financial derivative instruments on this type of asset.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in fixed income securities;
- ✓ Can accept low to medium market risks.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823389852	No	USD	NOK
Classic	DIS	LU0823389936	Annual	USD	GBP
Classic MD	DIS	LU0823389779	Monthly	USD	
Classic RH EUR	CAP	LU0823389423	No	EUR	
Classic RH EUR	DIS	LU0823389696	Annual	EUR	
N	CAP	LU0823390355	No	USD	
Privilege	CAP	LU0823390439	No	USD	
Privilege RH EUR	CAP	LU0925120536	No	EUR	
Privilege RH EUR	DIS	LU0925120619	Annual	EUR	
I	CAP	LU0823390199	No	USD	EUR
I RH EUR	CAP	LU0823390272	No	EUR	
X	CAP	LU0823390603	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.30%	0.05%	3%	1.50%	none
N	1.50%	No	0.50%	0.30%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.30%	0.05%	3%	1.50%	none
I	0.60%	No	none	0.17%	0.01%	none	none	none
X	none	No	none	0.17%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Bond Best Selection World Emerging

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 8 December 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) by contribution of the "Global Emerging Markets Bond Fund" sub-fund of the sicav ABN AMRO Funds

Merging on 21 May 2013 of the "Classic QD" category into the "Classic MD" category of the sub-fund

Transfer in the Company on 21 May 2013.

"Classic H EUR-CAP/DIS", "Privilege H EUR-DIS" and "IH EUR" classes renamed "Classic RH EUR-CAP/DIS", "Privilege RH EUR-DIS" and "I RH EUR" on 1 May 2014

Absorption on 9 October 2015 of the "Bond World Emerging Corporate" sub-fund of the Company

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Bond USD

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets in USD denominated debt securities such as (but not limited to): US treasury debt securities or notes, sovereign government bonds, supranationals bills & notes (defined as securities issued by international organisations, whereby member states transcend national boundaries), Mortgage Backed Securities (both agency and non-agency), corporate bonds including high yield corporate bonds, Asset Backed Securities and other structured debt securities and in financial derivative instruments on this type of asset.

The sub-fund is actively managed versus its benchmark (Barclays US Aggregate). The allocation to sub-asset classes, such as structured debt, depends in part on the level of risk budgeted.

Exposure to structured debt securities including MBS, ABS, CMBS and derivatives on such securities, may exceed 20% of the assets.

In the event the portfolio ends up with any distressed securities as a result of a restructuring event or any event beyond the control of the company, the manager will assess the situation and, if he believes necessary, promptly adjust the composition of the portfolio in order to preserve the best interest of the shareholders. In any case distressed securities will never represent more than 10% of the assets.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI.

After hedging, the sub-fund's exposure to currencies other than USD will not exceed 5%.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Distressed (Default) Securities Risk
- High Yield Bond Risk
- Structured Debt Securities/Securitised Products Risks

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in fixed income securities;
- ✓ Can accept low to medium market risks.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0879078136	No	USD	
Classic	DIS	LU0283465069	Annual	USD	EUR
Classic MD	DIS	LU0823391163	Monthly	USD	
Classic EUR	CAP	LU0823391080	No	EUR	
N	CAP	LU0879078482	No	USD	
Privilege	CAP	LU0879078565	No	USD	
Privilege	DIS	LU0823391247	Annual	USD	
I	CAP	LU0879078300	No	USD	
X	CAP	LU0879078649	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)





## PARVEST Bond USD

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	0.75%	No	none	0.30%	0.05%	3%	1.50%	none
N	0.75%	No	0.50%	0.30%	0.05%	none	1.50%	3%
Privilege	0.40%	No	none	0.30%	0.05%	3%	1.50%	none
I	0.30%	No	none	0.17%	0.01%	none	none	none
X	none	No	none	0.17%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 14 November 1995 in the sicav G-Bond Fund with the name "G-USD Bond"

Contribution on 4 May 1998 to the sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) by creation of the "Bond USD" sub-fund

Renamed "Bond USD" on 30 September 1999

Absorption on 2 November 2001 of the "Bond North America" sub-fund of the sicav Fortis L Universal Fund

Absorption on 18 August 2003 of the "USD" sub-fund of the sicav Generalux

Absorption on 5 May 2008 of the "Bond Corporate USD" and "Bond Medium Term USD" sub-funds of the Company

Absorption on 8 December 2008 of the "US Bond Fund" sub-fund of the sicav ABN AMRO Funds

"Classic QD" class renamed "Classic MD" on 1 January 2013

"Classic PmRv" class merged into "Classic-DIS" class of the sub-fund on 21 May 2013

Transfer in the Company on 21 May 2013

Absorption on 01 July 2016 of its "Bond USD" Feeder sub-fund of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.





## PARVEST Bond USD Short Duration

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

The sub-fund invests at least 2/3 of its assets in USD denominated debt securities such as US treasury debt securities or notes, sovereign government bonds, supranationals bills & notes (defined as securities issued by international organisations, whereby member states transcend national boundaries), Mortgage Backed Securities (both agency and non-agency), corporate bonds including high yield corporate bonds, Asset Backed Securities and other structured debt, money market instruments and deposits, and in financial derivative instruments on this type of asset.

With regards to investments in structured debt the following ratios apply:

- 0-30% US Agency MBS
- 0-10% investment grade CMBS
- 0-10% investment grade ABS issued by corporate entities and denominated in USD
- No ABS Home Equity Loans, HELOC, CDOs nor CLOs is allowed
- Exposure to structured debt will not exceed 30% of the assets with a combined limit of 10% for both ABS and CMBS.

In the event the portfolio ends up with any distressed securities as a result of a restructuring event or any event beyond the control of the company, the manager will assess the situation and, if he believes necessary, promptly adjust the composition of the portfolio in order to preserve the best interest of the shareholders. In any case distressed securities will never represent more than 10% of the assets.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, financial derivative instruments or cash, and also, within a limit of 10% of the assets, in UCITS or UCIs.

The average duration of the portfolio does not exceed four years.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Distressed (Default) Securities Risk
- High Yield Bond Risk
- Structured Debt Securities/Securitised Products Risks

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in fixed income securities;
- ✓ Can accept low to medium market risks.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0012182399	No	USD	EUR
Classic	DIS	LU0925121005	Annual	USD	
Classic MD	DIS	LU0012182126	Monthly	USD	EUR
Classic H EUR	CAP	LU0194436803	No	EUR	
N	CAP	LU0107069048	No	USD	EUR
Privilege	CAP	LU0111478441	No	USD	EUR
Privilege	DIS	LU0823383657	Annual	USD	
I	CAP	LU0102013652	No	USD	EUR
I	DIS	LU0956004336	Annual	USD	
IH EUR	CAP	LU1458426035	No	EUR	
X	CAP	LU0107104134	No	USD	EUR

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Bond USD Short Duration

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	0.50%	No	none	0.25%	0.05%	3%	1.50%	none
N	0.50%	No	0.35%	0.25%	0.05%	none	1.50%	3%
Privilege	0.25%	No	none	0.25%	0.05%	3%	1.50%	none
I	0.20%	No	none	0.17%	0.01%	none	none	none
X	None	No	none	0.17%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

*Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category*

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 27 March 1990 with the name "US Dollar Bond"

Rename "Bond USD" on 1<sup>st</sup> September 2010.

Rename "Bond USD Government" on 1 November 2012.

Old "Classic-Distribution" class renamed "Classic MD" on 1 November 2012

Shares of the "Privilege-CAP" class split by 10 on 6 June 2014

Shares of the "I-CAP" class split by 10,000 on 6 June 2014

Revamped into "Bond USD Short Duration" on 30 April 2015

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Bond World

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets in investment grade debts securities such as (but not limited to): treasury debt securities or notes, sovereign government bonds, supranationals bills & notes (defined as securities issued by international organisations, whereby member states transcend national boundaries), Mortgage Backed Securities (both agency and non-agency), corporate bonds including high yield corporate bonds, Asset Backed Securities, other structured debt and in financial derivative instruments on this type of asset.

The sub-fund is actively managed versus its benchmark the Barclays Global Aggregate Gross Return. The allocation to sub-asset classes, such as structured debt, depends in part on the level of risk budgeted.

In the event the portfolio ends up with any distressed securities as a result of a restructuring event or any event beyond the control of the company, the manager will assess the situation and, if he believes necessary, promptly adjust the composition of the portfolio in order to preserve the best interest of the shareholders. In any case distressed securities will never represent more than 10% of the assets.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI.

If these ratings criteria are not met, the manager shall adjust the portfolio's composition in the best interests of investors and in the timeliest manner.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Distressed (Default) Securities Risk
- Emerging Markets Risk
- High Yield Bond Risk
- Risk related to investments in some countries
- Structured Debt Securities/Securitised Products Risks

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in fixed income securities;
- ✓ Can accept low to medium market risks.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823391676	No	EUR	SEK
Classic	DIS	LU0823391833	Annual	EUR	
Classic USD	CAP	LU0823391320	No	USD	
N	CAP	LU0823392211	No	EUR	
Privilege	CAP	LU0823392302	No	EUR	
I	CAP	LU0823392054	No	EUR	
I	DIS	LU0956005739	Annual	EUR	
I RH GBP	CAP	LU0823392484	No	GBP	
X	CAP	LU0823392567	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Bond World

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	0.75%	No	none	0.30%	0.05%	3%	1.50%	none
N	0.75%	No	0.50%	0.30%	0.05%	none	1.50%	3%
Privilege	0.40%	No	none	0.30%	0.05%	3%	1.50%	none
I	0.30%	No	none	0.17%	0.01%	none	none	none
X	none	No	none	0.17%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

*Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.*

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 14 March 1990 in the sicav Gammafund with the name "International Bonds"

Transfer in the sicav Fortis Fund (renamed Fortis L Universal Fund on 30 September 1999) with the name "Bond Global" on 30 June 1998

Current name first applied on 30 September 1999

Transfer in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) on 2 November 2001

Absorption on 4 November 2002 of the following sub-funds:

- "Bonds World" sub-fund of the sicav Maestro Lux;

- "International Bonds" sub-fund of the sicav Panelfund

Absorption on 18 August 2003 of the "JPY" sub-fund of the sicav Generalux

Absorption on 8 December 2008 of the "Global Bond Fund" sub-fund of the sicav ABN AMRO

"Classic PmRv" class merged into "Classic-DIS" class of the sub-fund on 21 May 2013

Transfer in the Company on 27 May 2013

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Bond World Emerging Local

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets in bonds and debt securities or other similar securities issued by emerging countries (defined as non OECD countries prior to 1 January 1994 together with Turkey and Greece) or by companies that have their registered offices or conduct a majority of their business activities in these countries, and will try to take advantage of the currency fluctuations in these countries and in financial derivative instruments on this type of asset.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI.

In order to reduce risk, the Company and the manager will adopt a diversification strategy for this sub-fund:

- \* In terms of geographical region, investments will be limited to 25% of its assets per country, with an overall maximum of:
  - 100% in securities denominated in local currencies,
  - 70% in securities denominated in hard currencies,
- \* To reduce interest rate risk, the sub-fund may sell futures on developed market debt securities and in particular U.S. Treasury debt securities, particularly for hedging its exposure to USD-denominated fixed-rate emerging country debt.

Nevertheless, these transactions entered into for hedging purposes shall not result in a reduction or increase of the investment limits calculated for the sub-fund.

The risk of a transaction of this type is the inverse of the price difference between U.S. Treasury debt securities and "emerging country" USD-denominated debt ("country spread" increase).

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in fixed income securities;
- ✓ Can accept low to medium market risks.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823386163	No	USD	
Classic	DIS	LU0823386320	Annual	USD	GBP
Classic MD	DIS	LU0823386080	Monthly	USD	
Classic RH CHF	CAP	LU0823384978	No	CHF	
Classic EUR	CAP	LU0823385272	No	EUR	
Classic EUR	DIS	LU0823385355	Annual	EUR	
Classic HUF	CAP	LU0823385868	No	HUF	
Classic RH EUR	CAP	LU0823385512	No	EUR	
Classic RH EUR	DIS	LU0823385603	Annual	EUR	
N	CAP	LU0823387054	No	USD	
Privilege	CAP	LU0823387138	No	USD	
Privilege	DIS	LU0823387211	Annual	USD	
I	CAP	LU0823386593	No	USD	EUR
I RH EUR	CAP	LU0823386916	No	EUR	
X	CAP	LU0823387484	No	USD	EUR

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Bond World Emerging Local

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.30%	0.05%	3%	1.50%	none
N	1.50%	No	0.50%	0.30%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.30%	0.05%	3%	1.50%	none
I	0.60%	No	none	0.17%	0.01%	none	none	none
X	none	No	none	0.17%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

*Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.*

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 10 May 2006 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010)

Transfer in the Company on 21 May 2013.

"Classic H EUR", "Classic H SGD MD" and "IH EUR" categories renamed "Classic RH EUR", "Classic RH SGD MD" and "I RH EUR" on 1 May 2014

Merging of the "Classic GBP" class on 8 May 2015 into the "Classic-DIS" class of the sub-fund

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Bond World High Yield

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets in bond or other similar securities that are rated below Baa3 (Moody's) or BBB- (S&P) and denominated in various currencies throughout the world and in financial derivative instruments on this type of asset.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI.

If these ratings criteria are not met, the manager shall adjust the portfolio's composition in the best interests of investors and in the timeliest manner.

After hedging, the sub-fund's exposure to currencies other than EUR may not exceed 5%.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- High Yield Bond Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in fixed income securities;
- ✓ Can accept low to medium market risks.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823388615	No	EUR	NOK
Classic	DIS	LU0823388888	Annual	EUR	PLN
Classic USD	CAP	LU0823388375	No	USD	
Classic USD MD	DIS	LU0823388292	Monthly	USD	
Classic H AUD MD	DIS	LU0950369024	Monthly	AUD	
Classic H CZK	CAP	LU1022394073	No	CZK	
Classic H USD	CAP	LU0823387724	No	USD	
Classic H USD	DIS	LU0823387997	Annual	USD	
Classic H USD MD	DIS	LU0950369370	Monthly	USD	
N	DIS	LU0823389001	Annual	EUR	
Privilege	CAP	LU0823389183	No	EUR	
Privilege	DIS	LU0823389266	Annual	EUR	
I	CAP	LU0823388961	No	EUR	USD
IH USD	CAP	LU0823388029	No	USD	
X	CAP	LU0347707514	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)





## PARVEST Bond World High Yield

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.20%	No	none	0.30%	0.05%	3%	1.50%	none
N	1.20%	No	0.50%	0.30%	0.05%	none	1.50%	3%
Privilege	0.60%	No	none	0.30%	0.05%	3%	1.50%	none
I	0.55%	No	none	0.17%	0.01%	none	none	none
X	none	No	none	0.17%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

*Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.*

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 8 December 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) with the name "Bond High Yield World" by contribution of the "High Yield Bond Fund" sub-fund of the sicav ABN AMRO Funds

Absorption on 13 July 2009 of the "Bond Corporate High Yield World" sub-fund of BNP Paribas L1

Current name first applied on 1 August 2010

Absorption on 11 July 2011 of the "Bond World High Yield" sub-fund of the Company

Transfer in the Company on 21 May 2013.

"Classic MD" class renamed "Classic USD MD" on 1 May 2014

"N-CAP" class renamed "N-DIS" on 2 November 2016

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.





## PARVEST Bond World Inflation-Linked

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

The sub-fund invests at least 2/3 of its assets in bonds indexed to inflation rates and/or securities treated as equivalent that are issued or guaranteed by a member state of the OECD, denominated in any currency, and also in financial derivative instruments on this type of asset.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, financial derivative instruments, money market instruments or cash, and also, within a limit of 10% of the assets, in UCITS or UCIs.

After hedging, the sub-fund's exposure to currencies other than EUR will not exceed 5%.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in fixed income securities;
- ✓ Can accept low to medium market risks.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0249332619	No	EUR	USD
Classic	DIS	LU0249332452	Annual	EUR	
Classic H USD	CAP	LU1104109563	No	USD	
N	CAP	LU0249333690	No	EUR	
Privilege	CAP	LU0249367086	No	EUR	
Privilege	DIS	LU0823387641	Annual	EUR	
I	CAP	LU0249356808	No	EUR	
I	DIS	LU0956002983	Annual	EUR	
X	CAP	LU0249337410	No	EUR	USD

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	0.75%	No	none	0.30%	0.05%	3%	1.50%	none
N	0.75%	No	0.50%	0.30%	0.05%	none	1.50%	3%
Privilege	0.40%	No	none	0.30%	0.05%	3%	1.50%	none
I	0.30%	No	none	0.17%	0.01%	none	none	none
X	none	No	none	0.17%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

*Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.*



## PARVEST Bond World Inflation-Linked

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

*(1) If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 26 July 2006 with the name "Global Inflation-linked Bond"

Current name first applied on 1<sup>st</sup> September 2010

Shares of the "Privilege-CAP" class split by 10 on 6 June 2014

Shares of the "I-CAP" class split by 1,000 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Convertible Bond Asia

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

The sub-fund invests at least 2/3 of its assets in convertible bonds and/or in securities treated as equivalent whose underlying assets are issued by companies that have their registered office and/or main place of business in, or conduct a significant proportion of their business in, Asia, and also in financial derivative instruments on this type of asset.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and also, within a limit of 10% of the assets, in UCITS or UCIs.

The sub-fund's overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 30% of its assets.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

Specific risks related to investments in Mainland China

- Change in PRC taxation risk
- Risks related to RQFII investments

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for hybrid securities with both equity and debt components;
- ✓ Are looking for long-term capital growth but with potentially lower market risk than for pure equity sub-funds;

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0095613583	No	USD	
Classic	DIS	LU0662594125	Annual	USD	
Classic MD	DIS	LU0095613823	Monthly	USD	
Classic EUR	CAP	LU0281885953	No	EUR	
Classic EUR	DIS	LU1104109647	Annual	EUR	
N	CAP	LU0107087610	No	USD	EUR
Privilege	CAP	LU0111466271	No	USD	
Privilege	DIS	LU0823394001	Annual	USD	
I	CAP	LU0102025151	No	USD	EUR
X	CAP	LU0107107079	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.20%	No	none	0.35%	0.05%	3%	1.50%	none
N	1.20%	No	0.60%	0.35%	0.05%	none	1.50%	3%
Privilege	0.65%	No	none	0.35%	0.05%	3%	1.50%	none
I	0.60%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.20%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Convertible Bond Asia

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 30 April 1999 with the name "Asian Convertible Bond"

Current name first applied on 1<sup>st</sup> September 2010

Absorption on 19 March 2012 of the "Convertible Bond Asia" sub-fund of the sicav BNP Paribas L1

"Classic-Distribution" class renamed "Classic MD" on 1<sup>st</sup> November 2012

"Classic New Distri" class renamed "Classic-DIS" on 1<sup>st</sup> November 2012

Shares of the "Privilege-CAP" class split by 100 on 6 June 2014

Shares of the "I-CAP" class split by 10,000 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Convertible Bond World

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets in convertible or similar bonds whose underlying shares are issued by companies and in financial derivative instruments on this type of asset.

The manager will seek to achieve a balance between the debt character of convertible bonds and their dependence on their respective underlying shares. In this respect, the sub-fund will take advantage of bond yields and will also be sensitive to the performance of the underlying shares.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and up to 10% of its assets may be invested in UCITS or UCI.

After hedging, the sub-fund's exposure to currencies other than USD may not exceed 25%.

The sub-fund may use financial derivative instruments for both hedging and investment purposes.

The sub-fund's overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 30% of its assets.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

Specific risks related to investments in Mainland China

- Change in PRC taxation risk
- Risks related to RQFII investments

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for hybrid securities with both equity and debt components;
- ✓ Are looking for long-term capital growth but with potentially lower market risk than for pure equity sub-funds;

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823394779	No	USD	
Classic	DIS	LU1022396367	Annual	USD	
N RH EUR	DIS	LU1022396011	Annual	EUR	
Classic RH CHF	CAP	LU0950369883	No	CHF	
Classic RH CZK	CAP	LU0823394423	No	CZK	
Classic RH EUR	CAP	LU0823394852	No	EUR	
Classic RH EUR	DIS	LU0823394936	Annual	EUR	
Classic RH PLN	DIS	LU0823394696	Annual	PLN	
N	CAP	LU1104109720	No	USD	
Privilege	CAP	LU1104109993	No	USD	
Privilege RH EUR	CAP	LU0823395669	No	EUR	
Privilege RH EUR	DIS	LU0823395743	Annual	EUR	
I	CAP	LU0823395404	No	USD	
I RH CHF	CAP	LU1022396870	No	CHF	
I RH EUR	CAP	LU0823395230	No	EUR	
I RH EUR	DIS	LU0950370030	Annual	EUR	
I RH NOK	CAP	LU0823395313	No	NOK	
X	CAP	LU0823395826	No	USD	EUR

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Convertible Bond World

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.20%	No	none	0.35%	0.05%	3%	1.50%	none
N	1.20%	No	0.60%	0.35%	0.05%	none	1.50%	3%
Privilege	0.65%	No	none	0.35%	0.05%	3%	1.50%	none
I	0.60%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.20%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 8 September 2004 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) with the name "Bond Convertible World"

Current name first applied on 1 August 2010

Transfer in the Company on 21 May 2013.

"Classic H CZK", "Classic H PLN", "IH NOK" and "IH USD" category renamed "Classic RH CZK", "Classic RH PLN", "I RH NOK" and "I RH USD" on 1 May 2014

Shares of the "Classic H CZK-CAP" class split by 100 on 6 June 2014

USD replaces EUR as Accounting Currency of the sub-fund on 30 March 2015 including share classes names changes:

- "Classic" category into "Classic RH EUR"
- "Classic USD-CAP" class into "Classic-CAP"
- "Classic RH USD-DIS" class into "Classic-DIS"
- "Privilege" category into "Privilege RH EUR"
- "I" category into "I RH EUR"
- "I RH USD" category into "I"

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Best Selection Asia ex-Japan

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by a limited number of companies that have their registered offices or conduct the majority of their business activities in Asia (excluding Japan) and that are characterised by the quality of their financial structure and/or their potential for earnings growth.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities (including P-Notes), money market instruments, financial derivative instruments, or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

In respect of the above investments limits, the sub-fund's overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 25% of its assets by investments in "China A-Shares" via the Stock Connect, debt securities traded on the Chinese Interbank Bond market, and financial derivative instruments on this type of assets.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

Specific risks related to investments in Mainland China

- Change in PRC taxation risk
- Risks related to Stock Connect

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR until 31 December 2016

USD as from 1<sup>st</sup> January 2017

### Share Categories

until 31 December 2016

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823397368	No	EUR	SEK
Classic	DIS	LU0823397525	Annual	EUR	
Classic USD	CAP	LU0823397103	No	USD	
Classic USD	DIS	LU0823397285	Annual	USD	
Classic RH AUD	CAP	LU1342916308	No	AUD	
Classic RH SGD	CAP	LU1342916480	No	SGD	
Classic RH USD	CAP	LU1342916563	No	USD	
N	CAP	LU0823397954	No	EUR	USD
Privilege	CAP	LU0823398176	No	EUR	USD
Privilege	DIS	LU0823398259	Annual	EUR	
I	CAP	LU0823397798	No	EUR	USD
I USD	CAP	LU1342916647	No	USD	
X	CAP	LU0823398333	No	EUR	USD





## PARVEST Equity Best Selection Asia ex-Japan

As from 1<sup>st</sup> January 2017

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic EUR	CAP	LU0823397368	No	EUR	
Classic EUR	DIS	LU0823397525	Annual	EUR	
Classic	CAP	LU0823397103	No	USD	SEK
Classic	DIS	LU0823397285	Annual	USD	
Classic RH AUD	CAP	LU1342916308	No	AUD	
Classic RH SGD	CAP	LU1342916480	No	SGD	
N RH EUR	DIS	LU0823397954	Annual	EUR	
Privilege	CAP	LU0823398176	No	USD	EUR
Privilege EUR	DIS	LU0823398259	Annual	EUR	
I EUR	CAP	LU0823397798	No	EUR	
I	CAP	LU1342916647	No	USD	
X	CAP	LU0823398333	No	USD	EUR

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none





## PARVEST Equity Best Selection Asia ex-Japan

**Historical information:**

Sub-fund launched on 15 March 1999 in the sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the name "Equity Best Selection Asia"

Absorption on 20 June 2001 of the "Asia Pacific Region Fund" sub-fund of the sicav Banque Belge Asset Management Fund

Absorption on 4 November 2002 of the sicav Fortis Azie Fonds Best Selection

Current name first applied on 1 July 2008

Absorption on 21 March 2011 of the "Equity Asia ex-Japan" sub-fund of the sicav BNP Paribas L1

Absorption on 18 July 2011 of the "Equity Asia ex-Japan" sub-fund of the Company

Transfer in the Company on 21 May 2013

Absorption on 27 May 2013 of the "Equity Asia Emerging" sub-fund of the sicav BNP Paribas L1

**Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Best Selection Euro

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities denominated or traded in euros issued by a limited number of companies that have their registered offices in one of the member states of the European Union and are characterised by the quality of their financial structure and/or potential for earnings growth.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

After hedging, the sub-fund's exposure to currencies other than EUR will not exceed 5%.

### Risk profile

Specific market risks:

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823401574	No	EUR	
Classic	DIS	LU0823401731	Annual	EUR	
Classic USD	CAP	LU0823401491	No	USD	
Classic H CZK	CAP	LU0823401228	No	CZK	
Classic H HUF	CAP	LU1022397092	No	HUF	
Classic H SGD	CAP	LU0950370543	No	SGD	
Classic H USD	CAP	LU0950370626	No	USD	
N	CAP	LU0823401905	No	EUR	
Privilege	CAP	LU0823402036	No	EUR	
Privilege	DIS	LU0823402119	Annual	EUR	
I	CAP	LU0823401814	No	EUR	
I	DIS	LU0950370899	Annual	EUR	
X	CAP	LU0823402200	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity Best Selection Euro

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 31 August 1998 in the sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010)

Absorption on 12 February 2007 of the "Equity Factor 1.3 Euro" sub-fund of the sicav Fortis L Fund

Absorption on 18 July 2011 of the "Equity Euro" sub-fund of the Company

Transfer in the Company on 27 May 2013

Absorption on 3 June 2013 of the "Equity France" sub-fund of the Company

Shares of the "Classic H CZK-CAP" class split by 100 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Best Selection Europe

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by a limited number of companies that have their registered offices in EEA countries, other than non-cooperative countries in the fight against fraud and tax evasion and are characterised by the quality of their financial structure and/or potential for earnings growth.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823399810	No	EUR	
Classic	DIS	LU0823400097	Annual	EUR	GBP
Classic CHF	CAP	LU0823399497	No	CHF	
Classic CHF	DIS	LU0823399570	Annual	CHF	
Classic USD	CAP	LU0823399737	No	USD	
Classic RH HUF	CAP	LU0823399653	No	HUF	
N	CAP	LU0823400501	No	EUR	CHF
Privilege	CAP	LU0823400766	No	EUR	CHF
Privilege	DIS	LU0823400840	Annual	EUR	
I	CAP	LU0823400337	No	EUR	USD
I	DIS	LU0950371194	Annual	EUR	
X	CAP	LU0823401061	No	EUR	USD

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity Best Selection Europe

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 14 May 2004 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010)

Absorption on 5 May 2008 of the "Opportunities Income Europe" sub-fund of the sicav Fortis L Fund

Absorption on 21 March 2011 of the "Opportunities Europe" sub-fund of the sicav BNP Paribas L1

Absorption on 18 July 2011 of the "Equity Europe Alpha" sub-fund of the Company

Absorption on 3 December 2012 of the "Real Estate Securities Europe" sub-fund of the Company

Transfer to the Company on 21 May 2013

Absorption on 3 June 2013 of the "Equity Europe Converging", "Equity Europe LS 30" and "Equity Switzerland" sub-funds of the Company.

Absorption on 3 June 2013 of the "Equity Europe Finance" sub-fund of the sicav BNP Paribas L1

"Classic HUF" class renamed "Classic RH HUF" on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Brazil

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered office or conduct a significant proportion of their business in Brazil.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0265266980	No	USD	NOK / SEK
Classic	DIS	LU0265267285	Annual	USD	EUR
Classic EUR	CAP	LU0281906387	No	EUR	
N	CAP	LU0265267954	No	USD	EUR
Privilege	CAP	LU0265313147	No	USD	
I	CAP	LU0265342161	No	USD	
X	CAP	LU0265288448	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity Brazil

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day except if 50% or more of the assets of the sub-fund are listed on the Sao Paulo stock exchange and the stock exchange is closed

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 11 December 2006 with the name "Brazil"

Current name first applied on 1<sup>st</sup> September 2010

Absorption on 21 March 2011 of the "Equity Brazil" sub-fund of the sicav BNP Paribas L1

Shares of the "Privilege-CAP" class split by 10 on 6 June 2014

Shares of the "I-CAP" class split by 1,000 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity China

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices or conduct the majority of their business activities in China, Hong Kong or Taiwan.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

Financial derivative instruments may be used both for hedging and trading (investment) purposes.

In respect of the above investments limits, the sub-fund's overall exposure (via both direct and indirect investments) to mainland China securities may reach up to 70% of its assets by investments in "China A-Shares" via the RQFII and/or Stock Connect, debt securities traded on the Chinese Interbank Bond market, and financial derivative instruments on this type of assets.

### Risk profile

Specific market risks:

- Counterparty Risk
  - Operational & Custody Risk
  - Emerging Markets Risk
  - Risk related to investments in some countries
- Specific risks related to investments in Mainland China

- Change in PRC taxation risk
- Risks related to RQFII investments
- Risks related to Stock Connect

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823426308	No	USD	NOK / SEK
Classic	DIS	LU0823426480	Annual	USD	
Classic EUR	CAP	LU0823425839	No	EUR	
Classic EUR	DIS	LU0823425912	Annual	EUR	
N	CAP	LU0823426720	No	USD	EUR
Privilege	CAP	LU0823426993	No	USD	EUR
Privilege	DIS	LU0823427025	Annual	USD	
I	CAP	LU0823426647	No	USD	JPY
X	CAP	LU0823427298	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)





## PARVEST Equity China

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement.* In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 9 June 1997 in the sicav INTERSELEX EQUITY (renamed INTERSELEX on 4 May 1998, FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the name "Greater China"

Renamed "Equity Greater China" on 4 May 1998

Absorption on 17 November 2008 of the "China Equity Fund" sub-fund of the sicav ABN AMRO Funds

Current name first applied on 1 August 2010

Absorption on 18 July 2011 of the "Equity China" sub-fund of the Company

Absorption on 9 July 2012 of the "Equity China "B"" sub-fund of the sicav Primera Fund

Transfer in the Company on 21 May 2013.

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Europe Emerging

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices or conduct the majority of their business activities in European emerging countries (defined as non OECD European countries prior to 1 January 1994 together with Turkey and Greece).

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823403356	No	EUR	NOK / SEK
Classic	DIS	LU0823403786	Annual	EUR	
Classic HUF	CAP	LU0823402978	No	HUF	
Classic USD	CAP	LU0823403190	No	USD	
N	CAP	LU0823403943	No	EUR	
Privilege	CAP	LU0823404081	No	EUR	
Privilege	DIS	LU0823404164	Annual	EUR	
I	CAP	LU0823403869	No	EUR	
X	CAP	LU0212178247	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity Europe Emerging

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 1 June 1998 in the sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010)

Absorption on 17 November 2008 of the "Eastern Europe Equity Fund" sub-fund of the sicav ABN AMRO Funds

Absorption on 18 July 2011 of the "Equity Europe Emerging" sub-fund of the Company

Transfer in the Company on 21 May 2013

Shares of the "Classic-CAP", "Classic USD-CAP/DIS", "N" and "I" classes split by 10 on 6 June 2014

Shares of the "Classic-DIS" class split by 3 on 24 November 2016

Absorption on 25 November 2016 of the "Equity Europe Emerging" sub-fund of the Belgian sicav BNP PARIBAS B FUND I

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Europe Growth

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that the management team deems to have greater-than-average potential for growth and/or relatively stable growth in profits and that have their registered offices in a country member of the EEA, other than non-cooperative countries in the fight against fraud and tax evasion.

When deciding on allocations and selecting securities, the manager will seek to diversify exposure to different sectors and issuers in order to reduce risk.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823404248	No	EUR	SEK
Classic	DIS	LU0823404594	Annual	EUR	
Classic USD	CAP	LU1104425308	No	USD	
Classic RH SGD	CAP	LU1022397415	No	SGD	
Classic RH SGD MD	DIS	LU0960981388	Monthly	SGD	
Classic RH USD	CAP	LU1022397688	No	USD	
Classic RH USD MD	DIS	LU0960981461	Monthly	USD	
N	CAP	LU0823404750	No	EUR	
Privilege	CAP	LU0823404834	No	EUR	
Privilege	DIS	LU0823404917	Annual	EUR	
I	CAP	LU0823404677	No	EUR	
I	DIS	LU0956003874	Annual	EUR	
X	CAP	LU0823405054	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Equity Europe Growth

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 28 August 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) by contribution of the "ABN AMRO Trans Europe Fund" sub-fund of the Dutch law sicav ABN AMRO Equity Umbrella Fund N.V

Absorption on 18 July 2011 of the "Equity Europe Growth" sub-fund of the Company

"Classic USD" category merged into "Classic-CAP" class of the sub-fund on 27 May 2013

Transfer in the Company on 27 May 2013

"Classic H SGD MD" and "Classic H USD MD" classes renamed "Classic RH SGD MD" and "Classic RH USD MD" on 1 May 2014

Shares of the "I -CAP" class split by 100 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Europe Mid Cap

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

This sub-fund invests at least 2/3 of its assets in equities and/or equity equivalent securities issued by companies with a market capitalisation of less than 130% of the highest market capitalisation and greater than 70% of the lowest market capitalisation (observed at the beginning of each financial year) of the STOXX Europe Mid 200 index, that have their registered offices or conduct the majority of their business activities in Europe.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments, and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs.

At all times, at least 75% of the assets are invested in equities issued by companies that have their registered office in a member country of the EEA, other than non-cooperative countries in the fight against fraud and tax evasion.

### Risk profile

Specific market risks:

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0066794719	No	EUR	
Classic	DIS	LU0066794479	Annual	EUR	
Classic USD	CAP	LU0283510112	No	USD	
N	CAP	LU0107059080	No	EUR	
Privilege	CAP	LU0111451596	No	EUR	
I	CAP	LU0102001053	No	EUR	
I	DIS	LU0956003957	Annual	EUR	
X	CAP	LU0107096793	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity Europe Mid Cap

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 14 June 1996 with the name "Europe Mid Cap"

Current name first applied on 1<sup>st</sup> September 2010

Shares of the "I-CAP" class split by 1,000 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.





## PARVEST Equity Europe Small Cap

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

This sub-fund invests at least 2/3 of its assets in equities and/or equity equivalent securities issued by companies having market capitalisation below the highest market capitalisation (observed at the beginning of each financial year) of the HSBC Smaller European Companies, EURO STOXX Small, MSCI Europe SmallCap indices, that have their registered offices or conduct the majority of their business activities in Europe.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs.

At all times, at least 75% of the assets are invested in equities issued by companies that have their registered office in a member country of the EEA, other than non-cooperative countries in the fight against fraud and tax evasion.

### Risk profile

Specific market risks:

- Small Cap, Specialised or Restricted Sectors Risk

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0212178916	No	EUR	NOK / SEK
Classic	DIS	LU0212178676	Annual	EUR	
Classic USD	CAP	LU0282885655	No	USD	
Classic RH SGD	CAP	LU1022397761	No	SGD	
Classic RH USD	CAP	LU1104111114	No	USD	
N	CAP	LU0212180490	No	EUR	
Privilege	CAP	LU0212180813	No	EUR	
Privilege	DIS	LU0823406029	Annual	EUR	
Privilege GBP	CAP	LU1270639583	No	GBP	
I	CAP	LU0212179997	No	EUR	
I	DIS	LU0956004096	Annual	EUR	
X	CAP	LU0212181035	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.85%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.





## PARVEST Equity Europe Small Cap

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 25 September 2007 with the name "Europe Small Cap"

Current name first applied on 1<sup>st</sup> September 2010

Absorption on 14 March 2011 of the "Equity Europe Small Cap" sub-fund of the sicav BNP Paribas L1

Absorption on 26 November 2012 of the "Equity Euro Small Cap" sub-fund of the Company

Shares of the "Privilege -CAP" class split by 10 on 6 June 2014

Shares of the "I-CAP" class split by 1,000 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity High Dividend Pacific

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that the management team deems to have a dividend return greater than the market average of the Pacific region and that have their registered offices or conduct the majority of their business activities in the Pacific region.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

In respect of the above investments limits, the sub-fund's overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 25% of its assets by investments in "China A-Shares" via the Stock Connect, debt securities traded on the Chinese Interbank Bond market, and financial derivative instruments on this type of assets.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

Specific risks related to investments in Mainland China

- Change in PRC taxation risk
- Risks related to Stock Connect

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR until 31 December 2016

USD as from 1<sup>st</sup> January 2017

### Share Categories

until 31 December 2016

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823406961	No	EUR	
Classic	DIS	LU0823407001	Annual	EUR	
Classic USD	CAP	LU0823406706	No	USD	
Classic USD	DIS	LU0823406888	Annual	USD	
Classic USD MD	DIS	LU0823406615	Monthly	USD	
N	DIS	LU0823407266	Annual	EUR	
Privilege	CAP	LU0823407340	No	EUR	
Privilege	DIS	LU0823407423	Annual	EUR	
I	CAP	LU0823407183	No	EUR	
X	CAP	LU0823407696	No	EUR	



## PARVEST Equity High Dividend Pacific

As from 1<sup>st</sup> January 2017

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic EUR	CAP	LU0823406961	No	EUR	
Classic EUR	DIS	LU0823407001	Annual	EUR	
Classic	CAP	LU0823406706	No	USD	
Classic	DIS	LU0823406888	Annual	USD	
Classic MD	DIS	LU0823406615	Monthly	USD	
N RH EUR	DIS	LU0823407266	Annual	EUR	
Privilege EUR	CAP	LU0823407340	No	EUR	
Privilege EUR	DIS	LU0823407423	Annual	EUR	
I	CAP	LU0823407183	No	USD	EUR
X	CAP	LU0823407696	No	USD	EUR

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### Valuation Day:

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### Listing:

none

#### Historical information:

Sub-fund launched on 24 November 2008 in the sicav FORTIS L FUND (renames BNP Paribas L1 on 1 August 2010) by contribution of the "Asia Pacific High Dividend Equity Fund" sub-fund of the sicav ABN AMRO Funds

Transfer in the Company on 21 May 2013.

"Classic MD" and "Privilege MD" classes renamed "Classic USD MD" and "Privilege USD MD" on 1 May 2014

"N-CAP" class renamed "N-DIS" on 2 November 2016

#### Taxation:

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity High Dividend USA

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that the management team deems to have a dividend return greater than the market average of the United States of America and that have their registered offices or conduct the majority of their business activities in the United States of America.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823408157	No	USD	
Classic	DIS	LU0823408231	Annual	USD	
N	DIS	LU1022398223	Annual	USD	
Classic EUR	CAP	LU0823407779	No	EUR	
Classic EUR	DIS	LU0823407852	Annual	EUR	
Classic H EUR	CAP	LU0823407936	No	EUR	
Classic H EUR	DIS	LU0823408074	Annual	EUR	
N	CAP	LU0823408660	No	USD	EUR
Privilege	CAP	LU0823408744	No	USD	
Privilege	DIS	LU0823408827	Annual	USD	
Privilege H EUR	DIS	LU0925121856	Annual	EUR	
I	CAP	LU0823408405	No	USD	EUR
X	CAP	LU0823409049	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

**Advisory fee:** 0.15% maximum (X category excluded).

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity High Dividend USA

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 24 November 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) by contribution of the "US Equity Select Fund" sub-fund of the sicav ABN AMRO Funds

Transfer in the Company on 27 May 2013

Absorption on 3 June 2013 of the "Equity USA Value" sub-fund of the Company

Shares of the "I-CAP" class split by 100 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity India

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices or conduct the majority of their business activities in India.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to Investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823428932	No	USD	NOK / SEK
Classic	DIS	LU0823429153	Annual	USD	GBP
Classic EUR	CAP	LU0823428346	No	EUR	
Classic EUR	DIS	LU0823428429	Annual	EUR	
N	CAP	LU0823429401	No	USD	EUR
Privilege	CAP	LU0823429583	No	USD	
Privilege	DIS	LU0823429666	Annual	USD	
I	CAP	LU0823429237	No	USD	EUR
I	DIS	LU1022807926	Annual	USD	
X	CAP	LU0823429740	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity India

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 24 November 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) by contribution of the "India Equity Fund" sub-fund of the sicav ABN AMRO Funds

Absorption on 18 July 2011 of the "Equity India" sub-fund of the Company

Transfer in the Company on 21 May 2013

Shares of the "I-CAP" class split by 100 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.





## PARVEST Equity Indonesia

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices or conduct the majority of their business activities in Indonesia.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to Investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823430243	No	USD	NOK
Classic	DIS	LU0823430326	Annual	USD	
Classic EUR	CAP	LU0823429823	No	EUR	
Classic EUR	DIS	LU0823430086	Annual	EUR	
N	CAP	LU0823430672	No	USD	EUR
Privilege	CAP	LU0823430755	No	USD	
Privilege	DIS	LU0823430839	Annual	USD	
Privilege EUR	CAP	LU1022399387	No	EUR	
I	CAP	LU0823430599	No	USD	EUR
X	CAP	LU0823430912	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.





## PARVEST Equity Indonesia

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 28 March 2007 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010)

Transfer in the Company on 21 May 2013

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Japan

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered office or conduct a significant proportion of their business in Japan.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments, or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs.

### Risk profile

Specific market risks:

- Risk related to Investments in some countries

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

JPY

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0012181748	No	JPY	NOK / SEK
Classic	DIS	LU0012181664	Annual	JPY	EUR
Classic EUR	CAP	LU0251809090	No	EUR	
Classic USD	CAP	LU0283519337	No	USD	
Classic H EUR	CAP	LU0194438338	No	EUR	
Classic H USD	CAP	LU0960981545	No	USD	
Classic H USD	DIS	LU1104111460	Annual	USD	
N	CAP	LU0107049875	No	JPY	EUR
NH EUR	DIS	LU1458427512	Annual	EUR	
Privilege	CAP	LU0111445861	No	JPY	EUR
Privilege	DIS	LU0823431050	Annual	JPY	EUR
Privilege H EUR	CAP	LU0925122151	No	EUR	
I	CAP	LU0101987716	No	JPY	EUR / USD
I USD	CAP	LU1342917371	No	USD	
IH USD	CAP	LU0950372325	No	USD	
X	CAP	LU0107092024	No	JPY	EUR / USD

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Equity Japan

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day unless the Tokyo stock exchange is closed.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 27 March 1990 with the name "Japan"

Current name first applied on 1<sup>st</sup> September 2010.

Absorption on 21 March 2011 of the "Equity Best Selection Japan" and "Equity Japan" sub-funds of the sicav BNP Paribas L1

Shares of the "I-CAP" class split by 1,000 on 6 June 2014

Absorption on 25 November 2016 of the "Equity Japan" sub-fund of the Belgian sicav BNP PARIBAS B FUND I

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Latin America

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered office or conduct a significant proportion of their business in Latin America (all American countries except the USA and Canada). The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0075933415	No	USD	NOK / SEK
Classic	DIS	LU0075933175	Annual	USD	EUR
Classic EUR	CAP	LU0283417250	No	EUR	
N	CAP	LU0107061904	No	USD	EUR
Privilege	CAP	LU0111453535	No	USD	EUR
I	CAP	LU0102008223	No	USD	
X	CAP	LU0107098658	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity Latin America

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day except if 50% or more of the assets of the sub-fund are listed on the Sao Paulo stock exchange and the stock exchange is closed

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

*(1) If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 29 September 2000 with the name "Latin America"

Current name first applied on 1<sup>st</sup> September 2010.

Absorption on 21 March 2011 of the "Equity Latin America" sub-fund of the sicav BNP Paribas L1

Shares of the "Privilege-CAP" class split by 100 on 6 June 2014

Shares of the "I-CAP" class split by 10,000 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Russia

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices or conduct the majority of their business activities in Russia.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

The sub-fund may also use financial derivative instruments for hedging purpose only.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823431720	No	EUR	NOK
Classic	DIS	LU0823432025	Annual	EUR	
Classic USD	CAP	LU0823431563	No	USD	
Classic USD	DIS	LU0823431647	Annual	USD	
Classic USD MD	DIS	LU0950373646	Monthly	USD	
N	CAP	LU0823432454	No	EUR	
Privilege	CAP	LU0823432611	No	EUR	
Privilege	DIS	LU0823432884	Annual	EUR	
Privilege GBP	DIS	LU0823431308	Annual	GBP	
Privilege USD	CAP	LU0956006034	No	USD	
I	CAP	LU0823432371	No	EUR	USD
I	DIS	LU0950373729	Annual	EUR	
X	CAP	LU0823432967	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity Russia

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless the London and/or Moscow stock exchanges are closed.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 17 February 2007 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010)

Absorption on 17 November 2008 of the "Russia Equity Fund" sub-fund of the sicav ABN AMRO Funds

Transfer in the Company on 21 May 2013.

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity Russia Opportunities

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered office or conduct a significant proportion of their business in Russia.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0265268689	No	USD	
Classic	DIS	LU0265268762	Annual	USD	EUR
Classic EUR	CAP	LU0282880003	No	EUR	
N	CAP	LU0265268929	No	USD	EUR
Privilege	CAP	LU0265313816	No	USD	EUR
I	CAP	LU0265343219	No	USD	
X	CAP	LU0265282169	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.





## PARVEST Equity Russia Opportunities

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless the London and/or Moscow stock exchanges are closed.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

*(1) If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 21 February 2008 with the name "Russia"

Renamed "Equity Russia" on 1<sup>st</sup> September 2010

Renamed "Equity Russia Opportunity" on 15 December 2011

Current name first applied on 1<sup>st</sup> November 2013

Shares of the "I-CAP" class split by 1,000 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity USA Growth

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that conduct the majority of their business activities in sectors that seem to have greater-than-average potential for growth, relatively stable growth in profits and that have their registered offices or conduct the majority of their business activities in the United States of America.

When deciding on allocations and selecting securities, the manager will seek to diversify exposure to different sectors and issuers in order to reduce risk.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets and those on Canadian markets do not exceed 10% of assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823434583	No	USD	SEK
Classic	DIS	LU0823434740	Annual	USD	EUR
Classic EUR	CAP	LU0823434237	No	EUR	
Classic H CHF	CAP	LU0925122409	No	CHF	
Classic H CZK	CAP	LU0823434310	No	CZK	
Classic H EUR	CAP	LU0823434401	No	EUR	
Classic H EUR	DIS	LU0890553851	Annual	EUR	
N	CAP	LU0823435127	No	USD	
Privilege	CAP	LU0823435473	No	USD	
Privilege GBP	CAP	LU0950374537	No	GBP	
I	CAP	LU0823435044	No	USD	EUR
I	DIS	LU0950374370	Annual	USD	EUR
X	CAP	LU0823435630	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity USA Growth

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 24 November 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) with the name "Equity Growth USA" by contribution of the "US Equity Growth Fund" sub-fund of the sicav ABN AMRO Funds

Current name first applied on 1 August 2010

Transfer in the Company on 21 May 2013

Absorption on 27 May 2013 of the "Equity Best Selection USA" sub-fund of the sicav BNP Paribas L1

Shares of the "Classic H CZK-CAP" class split by 10 on 6 June 2014

Shares of the "I-CAP" class split by 100 on 6 June 2014

On 24 November 2016:

- Shares of the "Classic-CAP" class split by 4
- Shares of the "Classic-DIS" class split by 3

Absorption on 25 November 2016 of the "Equity USA" sub-fund of the Belgian sicav BNP PARIBAS B FUND I

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity USA Mid Cap

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies having market capitalisation below the highest market capitalisation and/or above the lowest market capitalisation (observed at the beginning of each financial year) of the Russell MidCap index and that have their registered office or conduct a significant proportion of their business in the United States of America.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments and/or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking to add a single country holding to an existing diversified portfolio;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0154245756	No	USD	
Classic	DIS	LU0154245673	Annual	USD	EUR
Classic EUR	CAP	LU0251807045	No	EUR	
Classic H EUR	CAP	LU0212196652	No	EUR	
Classic H SGD	CAP	LU1022399627	No	SGD	
N	CAP	LU0154246051	No	USD	
Privilege	CAP	LU0154246218	No	USD	EUR
Privilege H EUR	CAP	LU0925122581	No	EUR	
I	CAP	LU0154245913	No	USD	EUR
I	DIS	LU0956004500	Annual	USD	
X	CAP	LU0154246135	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.85%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

**Advisory fee:** 0.15% maximum (X share category excluded).

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity USA Mid Cap

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day except if 50% or more of the assets of the sub-fund are listed on the New York stock exchange and the stock exchange is closed

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

*(1) If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 30 January 2006 with the name "US Mid Cap"

Current name first applied on 1<sup>st</sup> September 2010

Shares of the "Privilege-CAP" class split by 10 on 6 June 2014

Shares of the "I-CAP" class split by 10,000 on 6 June 2014

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity World Consumer Durables

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that conduct the majority of their business activities in the sectors of durable consumer goods, leisure and media, and in related or connected sectors.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823411706	No	EUR	
Classic	DIS	LU0823411961	Annual	EUR	USD
Classic USD	CAP	LU0823411888	No	USD	
N	CAP	LU0823412266	No	EUR	USD
Privilege	CAP	LU0823412423	No	EUR	
Privilege	DIS	LU0823412696	Annual	EUR	
I	CAP	LU0823412183	No	EUR	
X	CAP	LU0823412779	No	EUR	USD

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity World Consumer Durables

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 17 May 1999 in the sicav Interselex (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the name "Equity Leisure & Media"

Renamed "Leisure & Media World" on 30 September 1999

Renamed "Equity Consumer Durables World" on 4 November 2002

Absorption on 17 November 2008 of the "Durable & Luxury Goods Fund" sub-fund of the sicav ABN AMRO Funds

Current name first applied on 1 August 2010

Absorption on 18 July 2011 of the "Equity Global Brands" sub-fund of the Company

Transfer in the Company on 27 May 2013

Absorption on 3 June 2013 of the "Equity Europe Consumer Durables", "Equity Europe Consumer Goods" and "Equity World Consumer Goods" sub-funds of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity World Emerging

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices or conduct the majority of their business activities in emerging countries (defined as non OECD countries prior to 1 January 1994 together with Turkey and Greece).

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities (including P-Notes), money market instruments, financial derivative instruments, or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

In respect of the above investments limits, the sub-fund's overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 25% of its assets by investments in "China A-Shares" via the Stock Connect, debt securities traded on the Chinese Interbank Bond market, and financial derivative instruments on this type of assets.

### Risk profile

Specific market risks:

- Operational & Custody Risk
  - Emerging Markets Risk
  - Risk related to investments in some countries
- Specific risks related to investments in Mainland China

- Change in PRC taxation risk
- Risks related to Stock Connect

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

USD

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823413587	No	USD	NOK / SEK
Classic	DIS	LU0823413660	Annual	USD	GBP
Classic EUR	CAP	LU0823413074	No	EUR	
Classic EUR	DIS	LU0823413157	Annual	EUR	
N	CAP	LU0823413827	No	USD	EUR
Privilege	CAP	LU0823414049	No	USD	EUR
I	CAP	LU0823413744	No	USD	EUR
X	CAP	LU0823414395	No	USD	EUR

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)





## PARVEST Equity World Emerging

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.75%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.75%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.90%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.90%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 6 October 1997 in the sicav G-Equity Fund with the name "G-World Emerging Equity"

Contribution on 4 May 1998 to the sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the current name

Absorption on 4 November 2002 of the following sub-funds:

- "Equity Emerging Economy" sub-fund of the sicav Maestro Lux
- "Emerging Markets" sub-fund of the sicav Panelfund

Absorption on 17 November 2008 of the "Global Emerging Markets Equity Fund" sub-fund of the sicav ABN AMRO Funds

Absorption on 18 July 2011 of the "Equity World Emerging" sub-fund of the Company

Transfer in the Company on 21 May 2013

Absorption, on 7 October 2016 of the "Equity BRIC" sub-fund of the Company

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity World Energy

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that conduct the majority of their business activities in the energy sector and in related or connected sectors.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Commodity Market Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823414635	No	EUR	
Classic	DIS	LU0823414718	Annual	EUR	
Classic USD	CAP	LU0823414478	No	USD	
Classic USD	DIS	LU0823414551	Annual	USD	
N	CAP	LU0823415012	No	EUR	USD
Privilege	CAP	LU0823415285	No	EUR	USD
Privilege	DIS	LU0823415442	Annual	EUR	
I	CAP	LU0823414809	No	EUR	USD
X	CAP	LU0823415525	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity World Energy

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 15 September 1997 in the sicav G-Equity Fund with the name "G-Basic Industries Equity"

Contribution on 4 May 1998 to the sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the name "Equity Basic Industries"

Renamed "Equity Basic Industries World" on 30 September 1999

Renamed "Equity Resources World" on 1 October 2006

Renamed "Equity Energy World" on 1 July 2008

Absorption on 17 November 2008 of the "Energy Fund" sub-fund of the sicav ABN AMRO Funds

Current name first applied on 1 August 2010

Absorption on 18 July 2011 of the "Equity World Resources" sub-fund of the Company

Transfer in the Company on 21 May 2013

Absorption on 3 June 2013 of the "Equity Europe Energy" sub-fund of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity World Finance

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that conduct the majority of their business activities in the financial sector and in related or connected sectors.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823415871	No	EUR	
Classic	DIS	LU0823416093	Annual	EUR	
Classic USD	CAP	LU0823415954	No	USD	
N	CAP	LU0823416259	No	EUR	
Privilege	CAP	LU0823416333	No	EUR	
Privilege	DIS	LU0823416416	Annual	EUR	
I	CAP	LU0823416176	No	EUR	
X	CAP	LU0823416507	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity World Finance

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 12 May 1997 in the sicav G-Equity Fund with the name "G-Finance Equity"

Contribution on 4 May 1998 to the sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the name "Equity Finance"

Renamed "Equity Finance World" on 30 September 1999

Absorption on 17 November 2008 of the "Financials Fund" sub-fund of the sicav ABN AMRO Funds

Renamed "Equity World Finance" on 1 August 2010

Transfer in the Company on 21 May 2013

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment



## PARVEST Equity World Health Care

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that conduct the majority of their business activities in the healthcare sector and in related or connected sectors.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823416762	No	EUR	SEK
Classic	DIS	LU0823416929	Annual	EUR	
Classic USD	CAP	LU0823416689	No	USD	
N	CAP	LU0823417141	No	EUR	
Privilege	CAP	LU0823417224	No	EUR	
Privilege	DIS	LU0823417497	Annual	EUR	
I	CAP	LU0823417067	No	EUR	
X	CAP	LU0823417570	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement*. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

(2) in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity World Health Care

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund was launched on 17 March 1997 in the sicav G-Equity Fund with the name "G-Pharmaceuticals Equity"

Contribution on 4 May 1998 to sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the name "Equity Pharmaceutical"

Renamed "Equity Pharma World" on 30 September 1999

Renamed "Equity Health Care World" on 1 July 2008

Absorption on 17 November 2008 of the "Health Care Fund" sub-fund of the sicav ABN AMRO Funds

Current name first applied on 1 August 2010

Absorption on 19 March 2012 of the "Equity World Biotechnology" sub-fund of the sicav BNP Paribas L1

Transfer in the Company on 21 May 2013

Absorption on 27 May 2013 of the "Equity Europe Health Care" sub-fund of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.





## PARVEST Equity World Low Volatility

### Investment objective

Increase the value of its assets over the medium term.

The sub-fund seeks to increase the value of its assets over the medium term by investing in shares issued by companies from all over the world and selected through a process aimed at reducing risk by minimising volatility in the sub-fund.

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that the investments in debt securities of any kind do not exceed 15% of its assets and the investments in UCITS or UCI do not exceed 10%.

The sub-fund's exposure to currencies is not hedged.

The sub-fund's strategy will focus on reducing risk by selecting low volatility securities.

The manager will follow a risk-optimisation process when constructing the portfolio.

This sub-fund may invest in financial derivative instruments on the abovementioned types of assets for hedging purposes only, within the limits defined in Appendix 2 of Book I of the Prospectus.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823417810	No	EUR	NOK / SEK
Classic	DIS	LU0823417901	Annual	EUR	
Classic CZK	CAP	LU1022403593	No	CZK	
Classic USD	CAP	LU0823417653	No	USD	
Classic USD	DIS	LU0823417737	Annual	USD	
Classic USD MD	DIS	LU0950375773	Monthly	USD	
N	CAP	LU0823418388	No	EUR	USD
Privilege	CAP	LU0823418545	No	EUR	USD
Privilege GBP	CAP	LU0950376151	No	GBP	
I	CAP	LU0823418115	No	EUR	USD
I	DIS	LU0950375856	Annual	EUR	
X	CAP	LU0823418974	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)





## PARVEST Equity World Low Volatility

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 6 April 1998 in the sicav INTERSELEX EQUITY (renamed INTERSELEX on 4 May 1998, FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the name "Best Selection World"

Renamed "Equity Best Selection World" on 4 May 1998

Absorption on 17 November 2008 of the "Global Equity Growth Fund" sub-fund of the sicav ABN AMRO Funds

Absorption on 13 July 2009 of the "Equity Small Caps World" sub-fund of the sicav FORTIS L FUND

Revamped into "Equity World Minimum Variance" on 1 April 2011

Current name first applied on 1 June 2012

Absorption on 3 December 2012 of the "Equity World" sub-fund of the Company

Transfer in the Company on 21 May 2013

Absorption on 27 May 2013 of the "Equity High Dividend World" sub-fund of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity World Materials

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that conduct the majority of their business activities in the materials sector (e.g. among others, in building and packaging materials, base chemicals, metals, forestry, paper etc.) and related or connected sectors.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to Investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823419436	No	EUR	GBP
Classic	DIS	LU0823419782	Annual	EUR	GBP
Classic USD	CAP	LU0823419279	No	USD	
N	CAP	LU0823420285	No	EUR	USD
Privilege	CAP	LU0823420525	No	EUR	USD
Privilege	DIS	LU0823420954	Annual	EUR	
I	CAP	LU0823420012	No	EUR	USD
X	CAP	LU0823421176	No	EUR	USD

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity World Materials

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

*(1) If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 24 November 2008 in the sicav to sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) with the name "Equity Materials World" by contribution of the "Materials Fund" sub-fund of the sicav ABN AMRO Funds

Current name first applied on 1 August 2010

Transfer in the Company on 21 May 2013

Absorption on 3 June 2013 of the "Equity Europe Materials" sub-fund of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity World Technology

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that conduct a majority of their business activities in the technology sector and in related or connected sectors.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823421689	No	EUR	SEK
Classic	DIS	LU0823421846	Annual	EUR	
Classic USD	CAP	LU0823421333	No	USD	
Classic USD	DIS	LU0823421416	Annual	USD	
N	CAP	LU0823422141	No	EUR	USD
Privilege	CAP	LU0823422497	No	EUR	USD
Privilege	DIS	LU0823422653	Annual	EUR	
I	CAP	LU0823422067	No	EUR	
X	CAP	LU0823422737	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity World Technology

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 12 May 1997 in the sicav G-Equity Fund with the name "G-Technology Equity"

Contribution on 4 May 1998 to the sicav INTERSELEX (renamed FORTIS L FUND on 30 September 1999 and BNP Paribas L1 on 1 August 2010) with the name "Equity Technology"

Renamed "Equity Technology World" on 30 September 1999

Absorption on 17 November 2008 of the "Information Technology Fund" sub-fund of the sicav ABN AMRO Funds

Current name first applied on 1 August 2010

Transfer in the Company on 21 May 2013

Absorption on 3 June 2013 of the "Equity World Technology Innovators" sub-fund of the Company and of the "Equity Europe Industrials", "Equity Europe Technology" and "Equity World Industrials" sub-funds of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Equity World Utilities

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that conduct the majority of their business activities in the local authorities services sector.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823424782	No	EUR	
Classic	DIS	LU0823424865	Annual	EUR	
Classic USD	CAP	LU0823424519	No	USD	
Classic USD	DIS	LU0823424600	Annual	USD	
Classic USD MD	DIS	LU0950376581	Monthly	USD	
N	CAP	LU0823425086	No	EUR	
Privilege	CAP	LU0823425169	No	EUR	
Privilege	DIS	LU0823425243	Annual	EUR	
I	CAP	LU0823424949	No	EUR	
X	CAP	LU0823425326	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Equity World Utilities

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 11 October 1999 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) with the name "Equity Utilities World"

Absorption on 17 November 2008 of the "Utilities Fund" sub-fund of the sicav ABN AMRO Funds

Current name first applied on 1 August 2010

Transfer in the Company on 21 May 2013

Absorption on 27 May 2013 of the "Equity Europe Utilities" sub-fund of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Green Tigers

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities of companies whose technologies, products and services bring sustainable development solutions to environmental problems in Asia.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities (including P-Notes), money market instruments, financial derivative instruments, or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

The manager will favour companies that develop technologies focused on sustainable development. In choosing these companies, it will select those that represent the best balance between level of sustainability and risk profile.

In respect of the above investments limits, the sub-fund's overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 25% of its assets by investments in "China A-Shares" via the Stock Connect, debt securities traded on the Chinese Interbank Bond market, and financial derivative instruments on this type of assets.

### Risk profile

Specific market risks:

- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries
- Small Cap, Specialised or Restricted Sectors Risk

Specific risks related to investments in Mainland China

- Change in PRC taxation risk
- Risks related to Stock Connect

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823437925	No	EUR	SEK
Classic	DIS	LU0823438220	Annual	EUR	
Classic USD	CAP	LU1039395188	No	USD	
Classic USD	DIS	LU0823437842	Annual	USD	
N	CAP	LU0823438659	No	EUR	
Privilege	CAP	LU0823438733	No	EUR	
Privilege	DIS	LU0823438816	Annual	EUR	
I	CAP	LU0823438493	No	EUR	
X	CAP	LU0823438907	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)





## PARVEST Green Tigers

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 28 July 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010)

Transfer in the Company on 27 May 2013

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Multi-Asset Income Emerging

### Investment objective

Increase the value of its assets over the medium-term for the Capitalisation shares and provide regular income in the form of dividend and on a secondary basis, generate capital growth for Distribution shares.

### Investment policy

The sub-fund invests at least 70% of its assets in Emerging markets (defined as non OECD countries prior to 1 January 1994 together with Turkey and Greece) and maximum 30% of its assets in other markets in asset classes described in the below table.

The sub-fund aims to invest directly in these different asset classes, but may also invest indirectly in these asset classes through investment in other UCITS and/or UCI of up to 10% of its net asset value.

Financial Derivative Instruments will be used for hedging purposes and efficient portfolio management.

An essential feature of the investment policy is that the proportions between and within the different asset classes in the sub-fund are variable. The asset class mix will change based on the investment team's medium term and short terms views on the economic cycle. The investment team will also take into account the sustainability of the dividends in driving the asset class mix.

The following table shows the allowable bandwidths across the different asset classes:

Assets	Minimum	Maximum
1. Equity securities	0%	80%
2. Debt securities	0%	80%
a) Government Bonds	0%	80%
b) High Yield Bonds	0%	50%
c) Corporate Bonds	0%	50%
a) Structured Debt Securities	0%	20%
b) Convertible Bonds	0%	20%
3. Cash instruments and money market	0%	80%
a) Money Market Instruments	0%	60%
b) Cash	0%	49%
4. Commodities*	0%	20%

\* The sub-fund does not hold commodities directly but through indices.

In the event the portfolio ends up with any distressed securities as a result of a restructuring event or any event beyond the control of the company, the manager will assess the situation and, if he believes necessary, promptly adjust the composition of the portfolio in order to preserve the best interest of the shareholders. In any case distressed securities will never represent more than 10% of the assets.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Commodity Market Risk
- Distressed (Default) Securities Risk
- Emerging Markets Risk
- High Yield Bond Risk
- Risk related to investments in some countries
- Structured Debt Securities/Securitised Products Risks

Risks related to investments in CNH share categories

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments through exposure to a range of asset classes, globally;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate medium to high volatility.

### Accounting Currency

USD



## PARVEST Multi-Asset Income Emerging

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU1270633115	No	USD	
Classic	DIS	LU1270633388	Annual	USD	
Classic MD	DIS	LU1270633545	Monthly	USD	
Classic CNH	CAP	LU1270633891	No	CNH	
Classic CNH MD	DIS	LU1270634196	Monthly	CNH	
Classic EUR	CAP	LU1342920672	No	EUR	
Classic EUR	DIS	LU1342920755	Annual	EUR	
Classic HKD	CAP	LU1270634352	No	HKD	
Classic HKD MD	DIS	LU1270634519	Monthly	HKD	
Classic RH AUD	CAP	LU1270634782	No	AUD	
Classic RH AUD MD	DIS	LU1270634949	Monthly	AUD	
Classic RH CNH MD	DIS	LU1270635169	Monthly	CNH	
Classic RH EUR	CAP	LU1342920839	No	EUR	
Classic RH SGD	CAP	LU1270635326	No	SGD	
Classic RH SGD MD	DIS	LU1270635672	Monthly	SGD	
N	CAP	LU1270635839	No	USD	
Privilege	CAP	LU1270636050	No	USD	
Privilege EUR	DIS	LU1342920912	Annual	EUR	
I	CAP	LU1270636217	No	USD	
X	CAP	LU1270636480	No	USD	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.25%	No	none	0.35%	0.05%	3%	1.50%	none
N	1.25%	No	0.75%	0.35%	0.05%	none	1.50%	3%
Privilege	0.65%	No	none	0.35%	0.05%	3%	1.50%	none
I	0.60%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.30%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Multi-Asset Income Emerging

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

*(1) If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 25 April 2016

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Real Estate Securities Pacific

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets either in transferable securities or in shares and other securities (including P-Notes) issued by real estate companies or companies operating in the real estate sector as well as in financial derivative instruments on this type of asset and in any other financial instruments representing real estate. The issuers have their registered offices or conduct the majority of their business activities in the Pacific region.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

The sub-fund does not directly own any real estate properties.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in real estate products;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823443220	No	EUR	
Classic	DIS	LU0823443493	Annual	EUR	
Classic USD	CAP	LU0823443063	No	USD	
Classic USD	DIS	LU0823443147	Annual	USD	
N	CAP	LU0823443659	No	EUR	
Privilege	CAP	LU0823443733	No	EUR	
Privilege	DIS	LU0823443816	Annual	EUR	
I	CAP	LU0823443576	No	EUR	
X	CAP	LU0823443907	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Real Estate Securities Pacific

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 28 March 2007 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) with the name "Real Estate Asia"

Renamed "Real Estate Securities Asia" on 1 October 2007

Current name first applied on 1 July 2008

Absorption on 17 November 2008 of the "Asia Pacific Property Equity Fund" sub-fund of the sicav ABN AMRO Funds

Transfer in the Company on 27 May 2013

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.



## PARVEST Real Estate Securities World

### Investment objective

Increase the value of its assets over the medium term

### Investment policy

This sub-fund invests at least 2/3 of its assets either in transferable securities or in shares and other securities (including P-Notes) issued by real estate companies or companies operating in the real estate sector as well as in financial derivative instruments on this type of asset and in any other financial instruments representing real estate.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.

The sub-fund does not directly own any real estate properties.

### Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets Risk
- Risk related to investments in some countries

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in real estate products;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0823444111	No	EUR	NOK / SEK
Classic	DIS	LU0823444467	Annual	EUR	
Classic USD	CAP	LU0823444038	No	USD	
Classic USD MD	DIS	LU0950377126	Monthly	USD	
N	CAP	LU0823444624	No	EUR	
Privilege	CAP	LU0823444897	No	EUR	
Privilege	DIS	LU0823444970	Annual	EUR	
I	CAP	LU0823444541	No	EUR	
X	CAP	LU0823445191	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)



## PARVEST Real Estate Securities World

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day unless 50% or more of the underlying assets cannot be valued.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) *If the settlement day is a currency holiday, the settlement will occur the following business day.*

#### **Listing:**

none

#### **Historical information:**

Sub-fund launched on 24 November 2008 in the sicav FORTIS L FUND (renamed BNP Paribas L1 on 1 August 2010) by contribution of the "Global Property Equity Fund" sub-fund of the sicav ABN AMRO Funds

Transfer in the Company on 27 May 2013

Shares of the "I-CAP" class split by 100 on 6 June 2014

Absorption on 01 July 2016 of its "Real Estate Securities World" Feeder sub-fund of the sicav BNP Paribas L1

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.





## PARVEST Sustainable Equity High Dividend Europe

### Investment objective

Increase the value of its assets over the medium term.

### Investment policy

At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered office in a country in the EEA, other than non-cooperative countries in the fight against fraud and tax evasion, and whose dividend prospects are, in the opinion of the management team, better than the average dividend yield on the European markets. In addition to financial criteria, investment decisions are also based on:

- Companies's Environmental, Social and Governance practices
- Dividend policy sustainability.

The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs.

### Risk profile

Specific market risks:

- Small Cap, Specialised or Restricted Sectors Risk

For an overview of the generic risks, please refer to the Appendix 3 of the Book I of the Prospectus.

### Investor type profile

This sub-fund is suitable for investors who:

- ✓ Are looking for a diversification of their investments in equities;
- ✓ Are willing to accept higher market risks in order to potentially generate higher long-term returns;
- ✓ Can accept significant temporary losses;
- ✓ Can tolerate volatility.

### Accounting Currency

EUR

### Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0111491469	No	EUR	USD
Classic	DIS	LU0111491626	Annual	EUR	USD
Classic RH USD MD	DIS	LU1022397928	Monthly	USD	
N	CAP	LU0111493325	No	EUR	
N	DIS	LU1458429054	Annual	EUR	
Privilege	CAP	LU0111493838	No	EUR	
Privilege	DIS	LU0823409122	Annual	EUR	
I	CAP	LU0111493242	No	EUR	USD
I	DIS	LU0956003791	Annual	EUR	
X	CAP	LU0113536907	No	EUR	

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com)

### Fees and Costs

Category	Fees payable by the sub-fund					Costs payable by the investors		
	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB <sup>(1)</sup>	Entry (max)	Conversion <sup>(2)</sup> (max)	Exit (max)
Classic	1.50%	No	none	0.40%	0.05%	3%	1.50%	none
N	1.50%	No	0.75%	0.40%	0.05%	none	1.50%	3%
Privilege	0.75%	No	none	0.40%	0.05%	3%	1.50%	none
I	0.75%	No	none	0.20%	0.01%	none	none	none
X	none	No	none	0.35%	0.01%	none	none	none

(1) *Taxe d'abonnement. In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.*

(2) *in the event of conversion to a sub-fund with a higher entry cost, the difference may be payable.*

Fee structure of the sub-categories "MD", "H", "RH" and "mono currency" are the same as those of their mother-category.



## PARVEST Sustainable Equity High Dividend Europe

### Additional information

#### **Valuation Day:**

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding net asset value which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-ip.com](http://www.bnpparibas-ip.com).

#### **Terms of subscription / conversion / redemption:**

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
16:00 CET for STP orders, 12:00 CET for non STP orders on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (D+3) <sup>(1)</sup>

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

#### **Listing:**

None

#### **Historical information:**

Sub-fund launched on 16 October 2000 with the name "Europe Growth Plus"

Renamed "Europe Growth" on 23 August 2002

Revamping into "Europe Dividend" on 29 September 2003

Absorption on 24 September 2004 of the "Iberia" and "Scandinavia" sub-funds of the Company

Renamed "Equity High Dividend Europe" on 1<sup>st</sup> September 2010

Absorption on 14 March 2011 of the "Equity High Dividend Europe" sub-fund of the sicav BNP Paribas L1

Shares of the "Privilege-CAP" class split by 10 on 6 June 2014

Shares of the "I-CAP" class split by 1,000 on 6 June 2014

Revamping into "Sustainable Equity High Dividend Europe" on 25 April 2016

#### **Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.