PARWORLD

An open-ended investment company
Incorporated under Luxembourg Law

Prospectus

JULY 2017

INFORMATION REQUESTS

PARWORLD

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, Belgium, Cyprus, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Jersey, the Netherlands, Norway, Singapore, Slovakia, Spain, Sweden, Switzerland, 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.

If there is any inconsistency or ambiguity regarding the meaning of a word or sentence in any translation of the Prospectus, the English version shall prevail.

CONTENTS

BOOK I OF THE PROSPECTUS

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, 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.

BOOK I

GENERAL INFORMATION

REGISTERED OFFICE

PARWORLD

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

THE COMPANY'S BOARD OF DIRECTORS

Chairman

Mr Anthony FINAN, Deputy-Head of Distributors Business Line, BNP PARIBAS ASSET MANAGEMENT France, Paris

Members

Mr Stéphane BRUNET, Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg
Mr Guy de FROMENT, Director, Impax Group Plc. London
Mr Denis PANEL, Chief Executive Officer, THEAM S.A.S., Paris
Mr Bruno PIFFETEAU, Head of Global Fund Solutions, BNP PARIBAS ASSET MANAGEMENT France, Paris
Ms Diane TERVER-AGAZZOTTI, Head of Strategy and Communication, THEAM S.A.S., Paris
Mr Christian VOLLE, Independent Director, Paris

Company Secretary (non-member of the Board)

Ms Claire COLLET-LAMBERT, Head of Fund Legal Luxembourg, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg

MANAGEMENT COMPANY

BNP PARIBAS ASSET MANAGEMENT Luxembourg

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

BNP PARIBAS ASSET MANAGEMENT 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 ASSET MANAGEMENT France, Paris

Members

Mrs Sylvie BAIJOT, Deputy Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg
Mr Stéphane BRUNET, Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg
Mr Georges ENGEL, Independent Director, Vincennes

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

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

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
- **BNP PARIBAS ASSET MANAGEMENT France**
  1 boulevard Haussmann, F-75009 Paris, France
  A French company, incorporated on 28 July 1980
- **BNP PARIBAS Capital Partners**
  1 boulevard Haussmann, F-75009 Paris, France
  A French company, incorporated on 3 November 1988

- **BNP PARIBAS ASSET MANAGEMENT UK Ltd**
  5 Aldermanbury Square, London EC2V 7BP, United Kingdom
  A UK company, incorporated on 27 February 1990
- **THEAM S.A.S**
  1 boulevard Haussman, F-75009 Paris, France
  A French company, incorporated on 27 December 1999

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 11 August 2000 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 22 April 2016 with effect on 25 April 2016 with publication in the *Recueil électronique des sociétés et associations* (the "*RESA*") on 7 July 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)

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.

ABS: **Asset-Backed Securities:** 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 tranched 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.

Absolute Return Investments: 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.

Accounting Currency: Currency in which the assets of a sub-fund are stated for accounting purposes, which may be different of the share category valuation currency

Active Trading: 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.

ADR / GDR: 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.

Alternatives Investments: 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.

Asset Securitisation: 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".

Agency – Non Agency MBS: 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.

Authorised Investors: Investors specially approved by the Board of Directors of the Company

CBO: **Collateralised Bond Obligation**: 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).

CDO: **Collateralised Debt Obligation:** 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.

CDS: **Credit Default Swap**: When buying or selling a 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

CFD: **Contract for Difference**: 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.
Circular 08/356:	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 (www.cssf.lu).
Circular 11/512:	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 (www.cssf.lu).
Circular 14/592:	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 (www.cssf.lu).
CLO:	**Collateralised Loan Obligation**: 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.
Closed-ended REIT:	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.
CMO:	**Collateralised Mortgage Obligation**: 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.
CMBS:	**Commercial (or Collateralised) Mortgage Backed Security**: 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:	PARWORLD
CSSF:	*Commission de Surveillance du Secteur Financier*, the regulatory authority for UCI in the Grand Duchy of Luxembourg
Currencies:	
	CHF: Swiss Franc
	DKK: Danish Krone
	EUR: Euro
	GBP: British Pound
	NOK: Norwegian Krone
	SEK: Swedish Krona
	USD: 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 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 as amended by the Directive 2014/107.
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 (AEOI) 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**: 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.
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.
EMTN:	**Euro Medium Term Notes:** 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).
Equity:	A stock or any other security representing an ownership interest.
Equity equivalent security:	ADR, GDR and investment certificates
ESMA:	European Securities and Markets Authority
ESMA/2011/112:	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 (www.esma.europa.eu).
ETC:	**Exchange Traded Commodities:** 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.
ETF:	**Exchange Traded Funds:** 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.
Extraordinary Expenses:	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.
High Yield Bonds:	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.
Hybrid Security:	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.
Indirect Fee:	Ongoing charges incurred in underlying UCITS and/or UCIs the Company is invested in and included in the Ongoing Charges mentioned in the KIID
Institutional Investors:	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").

Investment Grade Bonds:	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.
IRS:	Interest Rate Swap
KIID:	Key Investor Information Document
Law:	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.
Law of 10 August 1915:	Luxembourg law of 10 August 1915 on commercial companies, as amended
Management 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 asset managers and also distributors in connection with the marketing of the Company's stock.
Managers:	Portfolio managers subscribing within the scope of discretionary individual portfolios management mandates.
Market Timing:	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.
Money Market Instruments:	Instruments normally dealt on the money market that are liquid and whose value can be accurately determined at any time.
Money Market Fund:	Money markets funds compliant with ESMA guidance (CESR/10-049 of 19 May 2010)
MBS:	**Mortgage Backed Security:** 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 authorised 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.
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.
Placement Fee:	Fee calculated over the total amount of subscriptions applying to a share during its placement period (initial offering period), deducted from its net assets, paid to the distributors and serving to cover their remuneration as compensation for their diffusion and placement activities during the placement period. The Placement Fee will be charged to the share at the end of the placement period and will be amortised on a maximum period of

five years. In order to cover this amortisation, in the case of redemption before the end of the amortization period, a decreasing redemption fee will be applied to the redeemed shares.

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

Regulation 2015/2365 Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/2012 (SFTR)

Repurchase transaction/
Reverse Repurchase transaction: A transaction governed by an agreement by which a counterparty transfers securities, commodities, or guaranteed rights relating to title to securities or commodities where that guarantee is issued by a recognised exchange which holds the rights to the securities or commodities and the agreement does not allow a counterparty to transfer or pledge a particular security or commodity to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities or commodities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a repurchase agreement for the counterparty selling the securities or commodities and a reverse repurchase agreement for the counterparty buying them

RESA: Recueil Electronique des Sociétés et Associations

RMBS: **Residential Mortgage Backed Security:** 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.

Securities Lending or Borrowing: A transaction by which a counterparty transfers securities subject to a commitment that the borrower will return equivalent securities on a future date or when requested to do so by the transferor, that transaction being considered as securities lending for the counterparty transferring the securities and being considered as securities borrowing for the counterparty to which they are transferred.

SFT: **Securities Financing Transactions** which means:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- a buy-sell back transaction or sell-buy back transaction
- a margin lending transaction

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).

TBA: **To Be Announced:** 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**: Derivative contract in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference asset (equity, equity index, bond, bank loan) to another counterparty.

TRS are in principle unfunded ("**Unfunded TRS**"): the total return receiver pays no upfront amount in return for the total return of the reference asset; then it allows both parties to gain exposure to a specific asset in cost-effective manner (the asset can be held without having to pay additional costs).

TRS may also be funded ("**Funded TRS**") when it involves an upfront payment (often based on the market value of the asset) at inception in return for the total return of the reference asset.

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**: It is a statistical methodology used to assess an amount of potential loss according to a probability of occurrence and a time frame (see Appendix 2)

GENERAL PROVISIONS

PARWORLD is an open-ended investment company *(société d'investissement à capital variable – abbreviated to SICAV)*, incorporated under Luxembourg law on 11 August 2000 for an indefinite period under the name "PARINDEX". It was renamed "PARWORLD" on 16 August 2004.

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 B77 384.

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 an 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.

ADMINISTRATION AND MANAGEMENT

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 Ms. Claire COLLET-LAMBERT, Company Secretary, responsibilities relating to the validation of expenses of the Company, negotiation, conclusion and signature concerning the opening of accounts, documents concerning the fiscal situation of the Company as well as initial cross border registration.

Management Company

BNP PARIBAS ASSET MANAGEMENT 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 17 May 2017 with effect on 1 June 2017with publication in the RESA on 2 June 2017. 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 the 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.

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-am.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, 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-am.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 on Book II, 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.

SHARE CATEGORIES, SUB-CATEGORIES AND CLASSES

A. CATEGORIES

Within each sub-fund, the Board of Directors will be able to create and issue the share categories listed below and add new valuation currencies to the existing shares:

Category	***Investors***	***Initial subscription price per share (1)***	***Minimum holding (2)***	***Maximum Fees payable by the investors (4)***		
				Entry	**Conversion (3)**	**Exit**
Classic	All	100,- in the Reference Currencies	None	3%	1.50%	none
Classic Plus	BNP Paribas Cardif			3%	1.50%	none
N	All			none	1.50%	3%
E	All		EUR 500,000 per sub-fund Managers: none	3%	1.50%	none
Privilege	All		EUR 1 million per sub-fund Managers: none	3%	1.50%	none
I	Institutional Investors,UCIs	100,000- in the Reference Currencies	Institutional Investors: EUR 3 million per sub-fund or EUR 10 million in the Company UCIs: none	none	none	none
I Plus	Authorised Investors			none	none	none
Life	AG Insurance	100,- in the Reference Currencies	None	none	N/A	none
X	Authorised Investors	100,- in the Reference Currencies Except for "Multi-Asset Booster": EUR 100,000- USD 100,000- "Flexible Convertible Bond": USD 1,000,000-	None	none	none	none
K	Authorised Investors	100,- in the Reference Currencies	None	N/A (5)	N/A	Please refer to Book II

(1) Entry Fees excluded, if any

(2) At the discretion of the Board of Directors. Please refer to Book II for specific minimum holding applicable for each particular sub-fund

(3) In the event of conversion to a sub-fund with a higher Entry Fees, the difference may be payable

(4) In addition, the investor's subscription, conversion or redemption order may be subject to an anti-dilution levy paid to the sub-fund in order to cover transaction costs. Information regarding the anti-dilution levy, its implementation status and current rates, will be made available on the following website www.bnpparibas-am.com. Maximum rates are also mentioned in Book II

(5) No Entry Fees, but a Placement Fee as detailed in Book II

B. SUB-CATEGORIES

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

1. MD/QD

These sub-categories pay dividend on a monthly (MD) or quarterly (QD) basis

2. Hedged (H)

These sub-categories aim at hedging the Currency Exchange risks 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 sub-categories appears in their denomination (for example, "Classic H EUR" for a sub-category hedged in EUR when the currency exposure of the portfolio of the sub-fund is USD).

3. Return Hedged (RH)

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

4. Mono-Currency

These sub-categories are valued and issued solely in the Reference Currency, indicated by the denomination of the sub-category, which is different from the Accounting Currency of the sub-fund (for example "Classic USD" for a category issued and valued only in USD when the Accounting Currency of the sub-fund is EUR).

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

C. CAPITALISATION / DISTRIBUTIONS CLASSES

Any of the above share categories / sub-categories are issued in Capitalisation ("CAP") and/or Distribution ("DIS") classes as defined below.

1. CAP

CAP shares retain their income to reinvest it.

2. DIS

DIS shares may pay dividend to shareholders on an annual, monthly or quarterly basis.

The general meeting of shareholders holding DIS 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.

D. SHARE LEGAL FORMS

All the shares are issued in registered form.

"Classic", "Classic Plus", "N", "E", "Privilege", "I","I Plus" and "K" shares may also be issued in bearer form.

The shares are all 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.

E. GENERAL PROVISION AVAILABLE FOR ALL SHARES

The Board of Directors has the option of adding new valuation currencies to existing categories or classes and, with the previous approval of the CSSF, of adding new share categories, sub-categories and classes to existing sub-funds with the same specification as those described above on points A, B and C. Such a decision will not be published but the website www.bnpparibas-am.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.

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

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.

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 fees 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, conversion and redemption, 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 fees 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-am.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 fees as described in the above table.

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 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 fees . 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:

To / From	Classic	Classic Plus	N	E	Privilege	I	I Plus	Life	X	K
Classic	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Classic Plus	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
N	No	No	Yes	No	No	No	No	No	No	No
E	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
Privilege	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
I	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
I Plus	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
Life	No	No	No	No	No	No	No	Yes	No	No
X	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No
K	No	No	No	No	No	No	No	No	No	No

Conversion principles of the sub-categories 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 fees.

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.

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 may be admitted to official listing on the Luxembourg Stock Exchange and/or as applicable on another securities exchange.

At the date of this Prospectus, there are no shares listed on any stock exchange.

Anti-dilution levy

For certain sub-funds, in addition to the entry, conversion or exit cost that may be charged to the investor, an anti-dilution levy may be paid by the investors to the sub-fund. Such amount covers transaction costs (including dealing costs relating to the acquisition, disposal or sale of portfolio's assets, taxes and stamp duties) in order to ensure that all investors in a sub-fund are treated equitably and preserve the Net Asset Value of the relevant sub-fund (notably to accommodate large inflows and outflows) where the implementation of such mechanism is considered to be in the best interests of the sub-fund.

This anti-dilution levy will be charged to subscriptions, conversions and redemptions to ensure that the existing shareholders are not adversely affected by shareholders who are executing subscription, conversion or redemption orders.

The relevant sub-funds will disclose the maximum cost level that could be charged to the subscription, conversion and redemption orders in Book II.

In the event swing pricing mechanism or an anti-dilution levy mechanism is applied to a sub-fund, as decided by the Board of Directors, the other mechanism shall not be cumulatively applied to client orders.

Details of such costs, if applicable to a specific sub-fund, will be set out in Book II.

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 two decimal places for all 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.

(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;
Notwithstanding point (3) above the Board of Directors decided that in the sub-funds in which orders are accepted on the day preceding the Valuation Day, the valuation of the securities is based on the closing price on the Valuation Day;

(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:

(a) 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;

(b) 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;

(c) 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;

(d) 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;

(e) as soon as a decision has been taken to either liquidate the Company or one or more sub-funds, categories or classes;

(f) 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;

(g) 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;

(h) 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, conversion and redemption applications in the pipeline will be processed simultaneously on the basis of the net asset value so calculated.

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.

In the event swing pricing mechanism or an anti-dilution levy mechanism is applied to a sub-fund, as decided by the Board of Directors, the other mechanism shall not be cumulatively applied to client orders.

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 subject to income tax at the personal tax 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.

EXCHANGE OF INFORMATION

a) 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, the total gross amount distributed by the Company and/or the total gross proceeds from the sale, refunding or redemption of shares in the Company will be reported to the tax authorities in the state of residence of the beneficial owner of the income.

b) 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 Management Company may need to collect and disclose information about the Company's shareholders to third parties, including the tax authorities of the participating country in which the beneficiary is tax resident, for the purpose of onward transmission to the relevant jurisdictions. The data of financial and personal information as defined by this regulation which will be disclosed may include (but is not limited to) the identity of the Company's shareholders and their direct or indirect beneficiaries, beneficial owners and controlling persons. A shareholder will therefore be required to comply with any reasonable request from the Management Company for such information, to allow the Management Company to comply with its reporting requirements. The exchange will be made in 2017 on the data collected in 2016 for the "early adopters' countries" and in 2018 on the data collected in 2017 for the other AEOI participating countries (Austria and Switzerland). The list of AEOI participating countries is available on the website http://www.oecd.org/tax/automatic-exchange/

c) US Tax

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

To avoid such withholding tax the Grand Duchy of Luxembourg has entered, on 28th 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.

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 tax 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.

GENERAL MEETINGS AND INFORMATION FOR SHAREHOLDERS

GENERAL SHAREHOLDERS' MEETINGS

The Annual General Shareholders' Meeting is held at 11.00 AM on the third Wednesday of January 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-am.com

Financial Year

The Company's financial year starts on 1st October and ends on 30th September.

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-am.com

Documents and information are also available on the website: www.bnpparibas-am.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.
   h) money market instruments other than those dealt in on a regulated market, which fall under Article 1 of the Law, if the issue or 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:
    a) is made on a temporary basis and represents no more than 10% of its assets;
    b) allows the acquisition of immovable property essential for the direct pursuit of its business and represents 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;

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.

FINANCIAL DERIVATIVE INSTRUMENTS

1. General Information

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 for hedging, efficient portfolio management or trading (investment) purposes, 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 that 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.

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.

Valuation of OTC derivatives

In accordance 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.

Efficient Portfolio Management techniques

A sub-fund can use financial derivative instruments and Securities Financing Transactions for efficient portfolio management purpose provided that:

(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.

Efficient portfolio management shall not :

a) result in a change of the investment objective of the concerned sub-fund; or

b) add substantial additional risks in comparison to the original risk policy of the sub-fund.

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 amounting up to 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.

The following information is 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

2. 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.**Global Exposure**

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).

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.

2.1. 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.

2.2 VaR (Value at Risk) methodology:

The global exposure is determined on a daily basis by calculating, the maximum potential loss at a given confidence levelover 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.

The sub-funds using the VaR methodology, their reference portfolio and leverage levels are listed below.

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.

Sub-funds	***VaR approach***	***Reference Portfolio***	***Expected leverage***
Absolute Return Multi Specialists	Absolute	-	3
Flexible Convertible Bond	Absolute	-	3
Multi Factor Investing	Absolute	-	4
Multi-Asset Booster	Absolute	-	5

2.3.Global Exposure 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:

a) the Master actual exposure through financial derivative instruments in proportion to the Feeder investment into the Master; or
b) 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.

3. <u>Total Return Swap (TRS)</u>

TRS can be used for both hedging and/or investment purposes.

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:

a) The underlying strategy and composition of the investment portfolio or index;
b) The identification of the counterparty(ies) of the transactions;
c) The underlying exposure obtained through financial derivative instruments;
d) 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.

Policy on sharing of return generated by TRS

The return of the swap transaction, being the spread between the two legs of the transaction, is completely allocated to the sub-fund when positive, or completely charged to the sub-fund when negative. There are neither costs nor fees specific to the swap transaction charged to the sub-fund that would constitute revenue for the Management Company or another party.

List of sub-funds using TRS

The sub-funds using TRS, the maximum proportion of assets that can be subject to them and the expected proportion of assets that will be subject to each of them are listed below:

Sub-funds	TRS/ NAV		
	Expected	Maximum	Type of TRS
Absolute Return Neutral	0%	100%	Unfunded
Champions Europa	0%	100%	Unfunded
Champions Mondo PMI	0%	100%	Unfunded
Champions Mondo PMI 2	0%	100%	Unfunded
Champions Mondo Genius & Relax	0%	100%	Unfunded
Multi Factor Investing	0-100%(1)	200%	unfunded
Multi Asset Booster	0-100%(2)	300%	unfunded
Quant Equity Europe Guru	200%	230%	unfunded
Quant Equity Europe Income Defensive	200%	230%	unfunded
Quant Equity World Guru	200%	230%	unfunded

(1) Due to its flexible asset allocation, the real expected proportion of assets subject to TRS will depend on the set of opportunities and market expectations. It could possibly be 0%, as well as a figure closer to 100%.

(2) This sub-fund follows an ISO-VaR (it maintains its VaR in a constant range between 15.5 and 19.5 with a max leverage constraint to avoid too much leverage in a low volatility world), so in case of very high volatility in the market the exposure should be theoretically close to 0, and in case of very low volatility, with the current allocation it should be close to 80%.

There is a fixed allocation and this allocation is reviewed once a year. If in the future the allocation change for less equities and more credit, the TRS level could be close to 300% in a low volatility environment. On the opposite it is possible to have an allocation with no TRS at all (no commodities and no credit exposure)

The expected proportion mentioned in the above table is defined as the sum of the absolute values of TRS nominals (with neither netting nor hedging arrangement) divided by the NAV. It is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions. A higher level reflected by the maximum could be reached during the life of the sub-fund and the Prospectus will be modified accordingly on the next available update of the Prospectus.

SECURITIES FINANCING TRANSACTIONS ("SFT")

In accordance with the Regulation 2015/2365 and Circulars 08/356 and 14/592, securities financing transaction comprise Securities Lending and borrowings, Repurchase Agreements and Reverse Repurchase Agreements transactions. SFT may be used for the purpose of raising short term capital in order to enhance in a safe way the liquidity of the sub-fund.

List of sub-funds using SFT

The sub-funds using SFT, the maximum proportion of assets that can be subject to them and the expected proportion of assets that will be subject to each of them are listed below provided that the expected proportion is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions:

Sub-funds	Repurchase Agreements / NAV		Reverse Repurchase Agreement / NAV		Securities Lending / NAV	
	Expected	Maximum	Expected	Maximum	Expected	Maximum
Flexible Convertible Bond	N/A	N/A	N/A	N/A	30%	60%
Quant Equity Europe Guru	0%	100%	0%	100%	0%	100%
Quant Equity World Guru	0%	100%	0%	100%	0%	100%

A Sub-Fund which is permitted to enter into SFT in accordance with its investment policy but does not actually engage in such transactions as at the date of this Prospectus (i.e. its expected proportion of NAV subject to SFT being 0%) may nevertheless engage in SFT provided that such engagement does not exceed the maximum proportion mentioned in the above table. In case a sub-fund has actually engaged in SFT, the Prospectus will be modified accordingly on the next available update.

Policy on sharing of return generated by SFT

The return of SFT, being the difference of market values between the two legs of the transactions, is completely allocated to the sub-fund when positive, or completely charged to the sub-fund when negative. There are neither costs nor fees specific to SFT charged to the sub-fund that would constitute an income for the Management Company or another party.

1. Repurchase Agreements / 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.

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.

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.

Limits for repurchase transactions

The assets received must be considered as collateral.

2. Securities Lending

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 European Regulation.

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.

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.

Policy on sharing of return generated by Securities Lending

The return of Securities Lending, being the difference of market values between the two legs of the transactions, is completely allocated to the sub-fund when positive, or completely charged to the sub-fund when negative. There are neither costs nor fees specific to Securities Lending charged to the sub-fund that would constitute an income for the Management Company or another party.

MANAGEMENT OF COLLATERAL IN RESPECT OF OTC DERIVATIVES AND SFT

Assets received from counterparties in respect of Financial Derivatives Instruments and Securities Financial Transactions other than currency forwards constitute collateral in accordance with the Regulation 2015/2365 and Circular 14/592.

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

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.

Valuation

Collateral received will be valued on at least a daily basis, according to mark-to-market, and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place, dependant on the issuer's credit quality and the maturity of the received securities.*Risks*

Risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated by the risk management process.

Safe-keeping (also for securities subject to TRS and SFT)

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 depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

Enforcement

Collateral received will be capable of being fully enforced at any time without reference to or approval from the counterparty. The Company must ensure that it is able to claim its right on the collateral in case of the occurrence of any event requiring the execution thereof. Therefore the collateral must be available at all time either directly or through the intermediary of a the counterparty, in such a manner that the Company is able to appropriate or realise the securities given as collateral without delay if the counterparty fails to comply with its obligation to return the securities.

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 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.

Stress testing

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.

Haircut policy

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.

Acceptable Collateral - Public regulatory grid

Asset Class	Minimum Rating accepted	Margin required / NAV	Cap by asset class / NAV	Cap by Issuer / NAV
Cash (EUR, USD,GBP or other Valuation Currency)		[100 - 110%]	100%	
Fixed Income				
Eligible OECD Government Bonds	BBB	[100 - 115%]	100%	20%
Eligible Supra & Agencies	AA-	[100 - 110%]	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 BNP PARIBAS ASSET MANAGEMENT. Any other UCITS eligible only upon ad-hoc approval by BNP PARIBAS ASSET MANAGEMENT Risk

(2) Subject to conditions and ad-hoc approval by BNP PARIBAS ASSET MANAGEMENT Risk

Applicable limits

(i) Limits applicable to non-cash collateral

In accordance with ESMA guidelines, non-cash collateral received by the Company should not be sold, re-invested or pledged.

Given the high quality of the acceptable collateral and the high quality nature of the selected counterparties, there is no maturity constraints applicable to the collateral received.

(ii) Limits applicable to cash collateral

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.

(iii) Reinvestment of cash collateral

The Company may re-invest the cash it has received as collateral in the following eligible instruments in accordance with the applicable law and regulations including Circular 08/356 as amended by Circular 11/512 and ESMA guidelines:

- Money market UCIs (daily calculation and S&P AAA rating or equivalent);
- Short-term bank deposits;
- Money market instruments;
- 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;
- Bonds issued or guaranteed by first class issuers offering adequate liquidity, and

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.

Reinvested cash collateral may lead to several risks such as currency exchange risk, counterparty risk, issuer risk, valuation and settlement risk, which can have an impact on the performance of the sub-fund concerned.

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.

Criteria used to select Counterparties

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:
- leading financial institutions;
- sound financial situation;
- ability to offer a range of products and services corresponding to the requirements of the Management Company;
- ability to offer reactivity for operational and legal points;
- ability to offer competitive price; and
- quality of the execution.

Approved counterparties are required to have a minimum rating of investment grade for OTC derivative counterparties provided however that credit quality assessment of counterparties does not rely only on external credit ratings. Alternative quality parameters are considered such as internal credit analysis assessment and liquidity and maturity of collateral selected. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. Furthermore counterparties should 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's annual report contains 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.

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 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 may include leveraging. Because of this, the volatility of these sub-funds may be 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.

II 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 Risks

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.

Collateral management Risks

The shareholders may be exposed to legal risk (in relation to legal documentation, contract enforcement) and the risk associated with the re-use of cash collateral, as the net asset value of the sub-fund may fluctuate with changes in the value of the securities acquired by investing cash received as collateral.

Under exceptional market circumstances, the TRS holder may also be exposed to interest rate risks, liquidity Risk, counterparty risk, bankruptcy risk.

III 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.)

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 laddered 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.

<u>More detailed risk warnings about structured debt:</u>

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 <u>prepaid</u> 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, <u>pre-payments</u> 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 <u>interest rates</u> 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, than 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.

Tracking Error Risk

The performance of the sub-fund may deviate from the actual performance of the underlying index due to factors including but not limited to liquidity of the index constituents, possible stock suspensions, trade band limits decided by the stock exchanges, changes in taxation of capital gains and dividends, discrepancies between the tax rates applied to the sub-fund and to the index on capital gains and dividends, limitations or restrictions on foreign investors ownership of shares imposed by the governments, fees and expenses, changes to the underlying index and operational inefficiencies. In addition, the sub-fund may not be able to invest in certain securities included in the underlying index or invest in them in the exact proportions they represent of the index due to legal restrictions imposed by the governments, a lack of liquidity on stock exchanges or other reasons. There could be other factors which can impact the tracking error.

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.

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

PARWORLD Absolute Return Equity Neutral

Investment objective

Achieve an absolute performance that is higher than the rate of return on the euro money market over the medium term.

Investment policy

The sub-fund implements an "equity neutral" investment strategy consisting in buying equities that are expected to outperform the equity market and selling equity index futures.

The portfolio is built based on a systematic approach, combining several equity factor criterions which include, but are not limited to: value, profitability, low-volatility and momentum.

The strategy is implemented:

- either synthetically, through the conclusion of OTC derivatives such as total return swap,
- or directly through an investment in shares or equity equivalent securities of companies in any country, as well as in financial derivative instruments on this type of assets.

The derivatives used are selected for the liquidity and transparency of their underlying markets. They include:

- most recognised equity index futures
- total return swaps,
- foreign exchange forwards and swaps.

The sub-fund may also be invested in 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 other UCITS or UCI.

The risk allocated to the strategy will be calibrated not to generate more than 10% ex-ante volatility.

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
- Distressed (Default) Securities Risk
- Emerging Markets Risk
- Risks related to investment restrictions 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 market neutral absolute performance;
- can accept medium market risks.

Accounting Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU1260147084	No	EUR	
Classic	DIS	LU1260147167	Annual	EUR	
Privilege	CAP	LU1260147241	No	EUR	
I	CAP	LU1260147324	No	EUR	
X	CAP	LU1260147597	No	EUR	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	*TAB* (1)
Classic	1.00%	Yes(2)	N/A	0.25%	0.05%
Privilege	0.50%	Yes(2)	N/A	0.25%	0.05%
I	0.40%	Yes(2)	N/A	0.20%	0.01%
X	0.00%	No	N/A	0.20%	0.01%

(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) 10% with EONIA as hurdle rate

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

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 that Valuation 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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption 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[1] (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 17 September 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.

Master-feeder structure

This sub-fund is involved in a master-feeder structure as a feeder sub-fund ("The Feeder").

The master fund ("the Master") is "ALFRED BERG Nordic Investment Grade", a Norwegian UCITS governed by the provisions of the Directive 2009/65 which has appointed Alfred Berg Kapitalforvaltning AS as its Management Company.

The prospectus, KIID, Articles of Association and periodical reports of the Master are available on the website www.alfredberg.no

The agreement between the Master and Feeder relating to the providing of all documents and information necessary for the latter to meet the requirements laid down to the UCITS regulation, and all other information concerning the Master are available upon request to the Management Company.

The Master and the Feeder have taken appropriate measures to coordinate the timing of their NAV calculation and publication, in order to avoid Market Timing in their shares, preventing arbitrage opportunities.

Investment objective

Investment Objective of the Feeder

Invest in the Master

Investment Objective of the Master

Increase the value of its assets over the medium term.

Investment policy

Investment policy of the Feeder:

This Feeder invests at least 85% of its assets in the Master through the use of « INST » shares category denominated in NOK.

The remaining portion, namely a maximum of 15% of its assets, may be invested in:

a) ancillary liquid assets;
b) financial derivative instrument, which may be used only for hedging purposes, in accordance with the Appendix 1, point 1.g) and Appendix 2 of Book I of the Prospectus.

Investment policy of the Master:

The fund primarily invests in Nordic bonds and money market instruments. The issuers of the bonds and money market instruments are primarily states, municipalities, counties, industrial enterprises and financial institutions with an investment grade credit rating of BBB-/Baa3 or better. Issuers will primarily be Nordic but up to 20% of the fund may be invested in securities issued by non-Nordic companies. Up to 10 % of the portfolio can be invested in instruments having a credit risk rated below investment grade, though not lower than BB/Ba2. Up to 15 % of the portfolio may be invested in subordinated capital if the issuers have a credit rating of BBB+/Baa1 or better. The fund is not permitted to invest in credit default swaps (CDS). The Fund will invest in instruments issued in NOK, SEK, DKK, EUR and USD. The fund will be denominated in NOK. All investments denominated in currencies other than NOK will be hedged to NOK. Alfred Berg Nordic Investment Grade is an actively managed fund. The portfolio's composition will be the result of the fund manager's view of the quality of individual issuers, of relative value among issuers, sectors and markets, and of possible changes in the market's structure and framework conditions.

The interest rate risk of the fund, as measured by modified duration, will normally be low/moderate, and will at all times be below 1. The fund's benchmark will be ST1X. During periods of falling interest rates, the fund is expected to achieve low to moderate price appreciation in the bonds held in the portfolio, thus affecting the fund's total return to a limited extent. Similarly, in a market with rising interest rates, the fund is only expected to experience low to moderate price declines in the bonds. The fund has a moderate credit risk and is well diversified, but will nevertheless be affected by changes in the market's assessment of credit spread for individual issuers or sectors. The fund is a UCITS fund, and has the ability to invest in derivatives.

Risk profile

Specific Feeder risks:

Same as Master risks

Specific Master Risks:

- High Yield Bond 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 fixed income securities;
- Can accept low to medium market risks.

Accounting Currency

NOK

PARWORLD Bond Nordic Investment Grade

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU1546462729	No	NOK	
Classic	DIS	LU1546462992	Annual	NOK	
Classic EUR	CAP	LU1633852444	No	EUR	
Classic EUR	DIS	LU1633852790	Annual	EUR	
Privilege EUR	CAP	LU1633852956	No	EUR	
I	CAP	LU1546463024	No	NOK	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB (1)	Aggregate Charges Master-Feeder (2) (maximum)
Classic	0.50%	No	N/A	0.25%	0.05%	1.10%
Privilege	0.25%	No	N/A	0.25%	0.05%	0.85%
I	0.20%	No	N/A	0.17%	0.01%	0.68%

(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 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.*

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

The Feeder will not support subscription or redemption fee for its investments in the Master.

Indirect fee: 1.00% maximum

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 net asset value of the Master is not calculated.

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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption orders will be processed at an unknown net asset value in accordance with the rules set out below, only on trading days common to Luxembourg and Norway. The time mentioned is Luxembourg time. Subscriptions in kind are not authorised.

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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum two bank business days after the Valuation Day (1) (D+2)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund not yet launched at the date of this Prospectus

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.

PARWORLD Champions – Europa

Investment objective

Increase the value of its assets over the medium term while seeking to preserve part of the NAV at Target Date (on 26 March 2019).

Investment policy

The sub-fund aims:

- to preserve as far as possible, at Target Date, 90% of the NAV at launch date by exposure to Euro denominated bonds with a maturity no longer than 6 months after Target Date; and
- to increase the value of its assets over the medium term through participation in the performance of the European equity markets.

In order to achieve its first objective of 90% capital preservation, the sub-fund will invest at least two thirds of its assets in cash, money market instruments, bonds, and fixed income UCITS and UCIs. Financial derivative instruments like swaps, futures, unfunded TRS, forwards or options may be used in order to adjust the portfolio fixed income and equity exposure. Moreover, to meet its second objective of participating in the European equities market, the sub fund will invest into equities directly or indirectly through UCITS, and UCIs.

Shareholders who have subscribed during the Placement Period, from 27 January 2014 to 15:00 CET on 25 March 2014, and who keep their shares until 26 March 2019 (the Target Date) will benefit on this date from a protection mechanism that aims to preserve as far as possible 90% of the NAV at the sub-fund's launch date.

The protection mechanism is provided by the fixed income part of the portfolio. The level of capital protection (90%) as well as the yield (net of fees) of the fixed income portfolio is taken into account in order to calculate the exposure to risky assets, i.e. equities.

This objective may not be achieved and no guarantee can be given in this respect. As such, shareholders might incur a loss greater than 10% of their initial subscription, notably if one of the issuers of the bonds held by the sub-fund defaults on its obligations.

Regardless of the date on which they subscribed for their shares, shareholders who redeem their shares before 16:00 CET on 25 March 2019 will not benefit from the above protection mechanism.

During the Placement Period and starting from the Target Date, the sub-fund will invest in money market instruments, and/or UCITS and UCIs.

In the months following the Target Date, the Board of Directors may decide to merge this sub-fund into another sub-fund of the Company or of another UCITS, or to liquidate this sub-fund, or to revamp its investment policy to the best interest of shareholders.

Consequently, in the weeks preceding this Target Date, shareholders will be informed by notice of the decision of the Board of Directors in this respect.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives 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 want to minimise the risk of a decrease in the sub-fund's net asset value.

Accounting Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
K	CAP	LU0997894844	No	EUR	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	*TAB* (1)
K	0.60%	No	None	0.20%	0.05%

(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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

Indirect fee: 1.00% maximum

Placement Fee payable by the sub-fund to placing agents: 3% charged at the end of the placement period and amortised on a period of five years

Redemption fee payable by investors to the sub-fund:

The redemption fee will be calculated on the number of redeemed shares multiplied by the NAV at subscription date and the following applicable rate decreasing over time.

Centralisation date of the redemption order	Applicable rate
From 1 July to 30 September 2017	1.05%
From 1 October to 31 December 2017	0.90%
From 1 January to 31 March 2018	0.75%
From 1 April to 30 June 2018	0.60%
From 1 July to 30 September 2018	0.45%
From 1 October to 31 December 2018	0.30%
From 1 January to 25 March 2019	0.15%
Starting from 26 March 2019	None

<u>Additional information</u>

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 that Valuation 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-am.com

Terms of redemption:

Redemption 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.

No authorised subscription and conversion

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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day(1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 27 January 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.

PARWORLD Champions – Mondo Genius & Relax

Investment objective

Increase the value of its assets over the medium term while seeking to preserve part of the NAV at Target Date (on 31 January 2020).

Investment policy

The sub-fund aims:

- to preserve as far as possible, at Target Date, 80% of the NAV at launch date by exposure to Euro denominated bonds with a maturity no longer than 6 months after Target Date; and
- to increase the value of its assets over the medium term through participation in the performance of the equity markets. The equity exposure will combine a low volatility approach with a quantitative stock picking methodology.

In order to achieve its first objective of 80% capital preservation, the sub-fund will invest at least two thirds of its assets in cash, money market instruments, bonds, and fixed income UCITS and UCIs. Moreover, to meet its second objective of participating in the equity markets, the sub fund will invest in UCITS and UCIs. Financial derivative instruments like swaps, futures, unfunded TRS, forwards or options may be used in order to adjust the portfolio fixed income and equity exposure.

Shareholders who have subscribed during the Placement Period, from 27 October 2014 to 16:00 CET on 2 February 2015, and who keep their shares until 31 January 2020 (the Target Date) will benefit on this date from a protection mechanism that aims to preserve as far as possible 80% of the NAV at the sub-fund's launch date.

The protection mechanism is provided by the fixed income part of the portfolio. The level of capital protection (80%) as well as the yield (net of fees) of the fixed income portfolio is taken into account in order to calculate the exposure to risky assets, i.e. equities.

The sub-fund will invest in fixed income securities rated Investment Grade. In case these securities are downgraded due to market conditions, the sub-fund may remain invested in these securities, even if their rating changes to High Yield, always in the best interest of the shareholders.

This objective may not be achieved and no guarantee can be given in this respect. As such, shareholders might incur a loss greater than 20% of their initial subscription, notably if one of the issuers of the bonds held by the sub-fund defaults on its obligations.

Regardless of the date on which they subscribed for their shares, shareholders who redeem their shares before 16:00 CET on 31 January 2020 will not benefit from the above protection mechanism.

Depending upon the level of subscriptions, the proposed launch of the sub-fund may be delayed or may not go ahead at all, such decision to be made at the sole discretion of the Board of Directors.

During the Placement Period and starting from the Target Date, the sub-fund could invest in money market instruments, and/or UCITS and UCIs.

In the months following the Target Date, the Board of Directors may decide to merge this sub-fund into another sub-fund of the Company or of another UCITS, or to liquidate this sub-fund, or to revamp its investment policy to the best interest of shareholders.

Consequently, in the weeks preceding this Target Date, shareholders will be informed by notice of the decision of the Board of Directors in this respect.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- High Yield Bond 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 want to minimise the risk of a decrease in the sub-fund's net asset value.

Accounting Currency

EUR

Share categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
K	CAP	LU1103314958	No	EUR	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB [(1)]
K	1.00%	No	None	0.20%	0.05%

(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.*

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

Indirect fee: 1.00% maximum

Placement Fee payable by the sub-fund to placing agents: 3% of the NAV dated 4 February 2015 charged at the end of the placement period and amortised on a period of five years

Redemption fee payable by investors to the sub-fund:

The redemption fee will be calculated on the number of redeemed shares multiplied by the NAV dated 4 February 2015 and the following applicable rate decreasing over time.

Centralisation date of the redemption order	Applicable rate
From 1 May 2017 to 31 July 2017	1.65%
From 1 August 2017 to 31 October 2017	1.50%
From 1 November 2017 to 31 January 2018	1.35%
From 1 February 2018 to 30 April 2018	1.20%
From 1 May 2018 to 31 July 2018	1.05%
From 1 August 2018 to 31 October 2018	0.90%
From 1 November 2018 to 31 January 2019	0.75%
From 1 February 2019 to 30 April 2019	0.60%
From 1 May 2019 to 31 July 2019	0.45%
From 1 August 2019 to 31 October 2019	0.30%
From 1 November 2019 to 31 January 2020	0.15%
Starting from 1 February 2020	None

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 that Valuation 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-am.com

Terms of redemption:

Redemption 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.

No authorised subscription and conversion

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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day(1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 27 October 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.

PARWORLD Champions – Mondo PMI

Investment objective

Increase the value of its assets over the medium term while seeking to preserve part of the NAV at Target Date (on 24 June 2019).

Investment policy

The sub-fund aims:

- to preserve as far as possible, at Target Date, 80% of the initial NAV by exposure to Euro denominated bonds with a maturity no longer than 6 months after Target Date; and
- to increase the value of its assets over the medium term through participation in the performance of the small and mid-cap equity markets.

In order to achieve its first objective of 80% capital preservation, the sub-fund will invest at least two thirds of its assets in cash, money market instruments, bonds, and fixed income UCITS and UCIs. Financial derivative instruments like swaps, futures, unfunded TRS, forwards or options may be used in order to adjust the portfolio fixed income and equity exposure. Moreover, to meet its second objective of participating in the small and mid-cap equity markets, the sub fund will invest into small and mid-cap equities, directly or indirectly through UCITS, and UCIs.

Shareholders who have subscribed during the Placement Period, from 19 May 2014 to 16:00 CET on 19 June 2014, and who keep their shares until 24 June 2019 (the Target Date) will benefit on this date from a protection mechanism that aims to preserve as far as possible 80% of the initial NAV.

The protection mechanism is provided by the fixed income part of the portfolio. The level of capital protection (80%) as well as the yield (net of fees) of the fixed income portfolio is taken into account in order to calculate the exposure to risky assets, i.e. equities.

This objective may not be achieved and no guarantee can be given in this respect. As such, shareholders might incur a loss greater than 20% of their initial subscription, notably if one of the issuers of the bonds held by the sub-fund defaults on its obligations.

Regardless of the date on which they subscribed for their shares, shareholders who redeem their shares before 16:00 CET on 24 June 2019 will not benefit from the above protection mechanism.

During the Placement Period and starting from the Target Date, the sub-fund could invest in money market instruments, and/or UCITS and UCIs.

The Board of Directors may decide to organise the following events in the months following the Target Date: the merger of this sub-fund into another sub-fund of the Company or of another UCITS, the liquidation of this sub-fund, or the revamping of its investment policy to the best interest of shareholders.

Consequently, in the weeks preceding this Target Date, shareholders will be informed by notice of the decision of the Board of Directors in this respect.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives 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 want to minimise the risk of a decrease in the sub-fund's net asset value.

Accounting Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
K	CAP	LU1061951296	No	EUR	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB (1)
K	1.00%	No	none	0.20%	0.05%

(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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

Indirect fee: 1.00% maximum

Placement Fee payable by the sub-fund to placing agents: *3% of the NAV dated as of 24 June 2014 charged at the end of the placement period and amortised on a period of five years*

Redemption fee payable by investors to the sub-fund:

The redemption fee will be calculated on the number of redeemed shares multiplied by the NAV dated 24 June 2014 and the following applicable rate decreasing over time.

Centralisation date of the redemption order	Applicable rate
From 1 July to 30 September 2017	1.20%
From 1 October to 31 December 2017	1.05%
From 1 January to 31 March 2018	0.90%
From 1 April to 30 June 2018	0.75%
From 1 July to 30 September 2018	0.60%
From 1 October to 31 December 2018	0.45%
From 1 January to 31 March 2019	0.30%
From 1 April to 23 June 2019	0.15%
Starting from 24 June 2019	None

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 that Valuation 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-am.com

Terms of redemption:

Redemption 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.

No authorised subscription and conversion

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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day(1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 20 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.

PARWORLD Champions – Mondo PMI 2

Investment objective

Increase the value of its assets over the medium term while seeking to preserve part of the NAV at Target Date (on 24 September 2019).

Investment policy

The sub-fund aims:

- to preserve as far as possible, at Target Date, 80% of the initial NAV by exposure to Euro denominated bonds with a maturity no longer than 6 months after Target Date; and
- to increase the value of its assets over the medium term through participation in the performance of the small and mid-cap equity markets.

In order to achieve its first objective of 80% capital preservation, the sub-fund will invest at least two thirds of its assets in cash, money market instruments, bonds, and fixed income UCITS and UCIs. Financial derivative instruments like swaps, futures, unfunded TRS, forwards or options may be used in order to adjust the portfolio fixed income and equity exposure. Moreover, to meet its second objective of participating in the small and mid-cap equity markets, the sub fund will invest into small and mid-cap equities, directly or indirectly through UCITS, and UCIs.

Shareholders who have subscribed during the Placement Period, from 1 July 2014 to 16:00 CET on 22 September 2014, and who keep their shares until 24 September 2019 (the Target Date) will benefit on this date from a protection mechanism that aims to preserve as far as possible 80% of the initial NAV.

The protection mechanism is provided by the fixed income part of the portfolio. The level of capital protection (80%) as well as the yield (net of fees) of the fixed income portfolio is taken into account in order to calculate the exposure to risky assets, i.e. equities.

This objective may not be achieved and no guarantee can be given in this respect. As such, shareholders might incur a loss greater than 20% of their initial subscription, notably if one of the issuers of the bonds held by the sub-fund defaults on its obligations.

Regardless of the date on which they subscribed for their shares, shareholders who redeem their shares before 16:00 CET on 24 September 2019 will not benefit from the above protection mechanism.

During the Placement Period and starting from the Target Date, the sub-fund could invest in money market instruments, and/or UCITS and UCIs.

The Board of Directors may decide to organise the following events in the months following the Target Date: the merger of this sub-fund into another sub-fund of the Company or of another UCITS, the liquidation of this sub-fund, or the revamping of its investment policy to the best interest of shareholders.

Consequently, in the weeks preceding this Target Date, shareholders will be informed by notice of the decision of the Board of Directors in this respect.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives 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 want to minimise the risk of a decrease in the sub-fund's net asset value.

Accounting Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
K	CAP	LU1061979545	No	EUR	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB [(1)]
K	1.00%	No	None	0.20%	0.05%

(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.*

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

Indirect fee: 1.00% maximum

Placement Fee payable by the sub-fund to placing agents: 3% of the NAV dated as of 24 September 2014 charged at the end of the placement period and amortised on a period of five years

Redemption fee payable by investors to the sub-fund:

The redemption fee will be calculated on the number of redeemed shares multiplied by the NAV dated 24 September 2014 and the following applicable rate decreasing over time.

Centralisation date of the redemption order	Applicable rate
From 1 July to 30 September 2017	1.35%
From 1 October to 31 December 2017	1.20%
From 1 January to 31 March 2018	1.05%
From 1 April to 30 June 2018	0.90%
From 1 July to 30 September 2018	0.75%
From 1 October to 31 December 2018	0.60%
From 1 January to 31 March 2019	0.45%
From 1 April to 30 June 2019	0.30%
From 1 July to 23 September 2019	0.15%
Starting from 24 September 2019	None

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 that Valuation 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-am.com

Terms of redemption:

Redemption 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.

No authorised subscription and conversion

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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day(1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 23 September 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.

PARWORLD Equity World DEFI

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 equity or equity equivalent securities of companies in any country, as well as in financial derivative instruments on this type of assets.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in debt 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 other UCITS or UCI.

The portfolio is built based on a systematic approach, combining several equity factor criterions such as value, profitability, low-volatility and momentum.

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
- Distressed (Default) Securities Risk
- Emerging Markets Risk
- Risks related to Investment Restrictions 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

USD

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU1325792700	No	USD	
Classic	DIS	LU1325793427	Annual	USD	
Classic RH EUR	CAP	LU1325794318	No	EUR	
Privilege	CAP	LU1325795042	No	USD	
Privilege	DIS	LU1325795802	Annual	USD	
Privilege RH EUR	CAP	LU1325796446	No	EUR	
I	CAP	LU1325797170	No	USD	
I RH EUR	CAP	LU1325798145	No	EUR	
X	CAP	LU1325798731	No	USD	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB (1)
Classic	1.50%	No	None	0.40%	0.05%
Privilege	0.75%	No	None	0.40%	0.05%
I	0.50%	No	None	0.35%	0.01%
X	None	No	None	0.35%	0.01%

(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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

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 that Valuation 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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption 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(1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 10 June 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.

PARWORLD Flexible Convertible Bond

Investment objective

Seek capital appreciation over the medium term.

Investment policy

The sub-fund aims to generate returns through a combination of capital appreciation and income generation.

The sub-fund will invest at least 2/3 of its assets in fixed income securities including convertible bonds, corporate and government bonds, and money market instruments.

The remaining portion, namely a maximum of 1/3 of its assets, may be invested in mandatory and preferred convertible bonds, equities and financial derivative instruments.

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, CFD).

Securities Lending transactions are used for efficient portfolio management with the aim of raising short term capital in order to enhance in a safe way the liquidity of the sub-fund as long as the conditions set out in Appendix 2 of Book I are met. The strategies implemented will look to extract income through the hedging of convertibles securities, relative value trades between convertible issuance, as well as to take advantage of pricing anomalies specific to the asset class.

The sub-fund may invest up to 10% of its assets in UCITS or UCI.

The sub-fund may use financial derivative instruments for both hedging and investment purposes.

After hedging, the sub-fund's exposure to currencies other than USD may not exceed 25%.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives 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 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	LU1325799382	No	USD	
Classic	DIS	LU1325800222	Annual	USD	
Classic RH EUR	CAP	LU1325800735	No	EUR	
Classic RH CZK	CAP	LU1546463297	No	CZK	
N	CAP	LU1325801113	No	USD	
Privilege	CAP	LU1325801626	No	USD	
Privilege	DIS	LU1325802277	Annual	USD	
Privilege RH EUR	CAP	LU1325802517	No	EUR	
I	CAP	LU1325802947	No	USD	
I RH EUR	CAP	LU1325803754	No	EUR	
X	CAP	LU1325804133	No	USD	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance(1) (max)	Distribution (max)	Other (max)	TAB (2)
Classic	0.90%	Yes	None	0.30%	0.05%
N	0.90%	Yes	0.75%	0.30%	0.05%
Privilege	0.45%	Yes	None	0.30%	0.05%
I	0.40%	Yes	None	0.17%	0.01%
X	None	No	None	0.17%	0.01%

(1) 15% with Libor + 1% as hurdle rate.

(2) 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.

(3) In the event of conversion to a sub-fund with a higher Entry Fees, the difference may be payable.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

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 that Valuation 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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption 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 (1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 19 May 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.

PARWORLD Lyra

Investment objective

Increase the value of its assets over the medium term.

Investment policy

Selection process:

The sub-fund will seek to achieve its investment objective by following a fund of funds approach. This approach consists in investing in several underlying funds, by following a proven and strict fund selection process.

Asset allocation:

1. Main assets categories

   The sub-fund aims to achieve its investment objective by investing at least 70% of its assets in underlying alternatives UCITS which use a wide set of different Alternative Investment strategies. The underlying alternatives UCITS are considered to be "alternative" based on the strategies the underlying alternatives UCITS implement. The weighting and allocation to the different alternative strategies (and selected funds) in the portfolio may vary over time according to the evolution of market conditions and to reflect the anticipations of the investment teams macroeconomic outlook and market views.

   The different Alternative Investment strategies are:

   a) *Long Short Equity*: an investing strategy that involves taking long positions in stocks that are expected to increase in value and short positions in stocks that are expected to decrease in value. Such strategy seeks to minimize market exposure, while profiting from stock gains in the long positions and price declines in the short positions.
   b) *Equity Market Neutral*: an investing strategy that involves taking long positions in stocks that are expected to increase in value and short positions in stocks that are expected to decrease in value. Such strategy seeks to exploit differences in stock prices by being long and short in stocks within the same sector, industry, market capitalization, country (for instance). This strategy creates a hedge against market factors.
   c) *Event Driven*: a strategy where a fund takes significant positions by investing in shares as well as debt securities in a certain number of companies with "special situations". Such strategy seeks to take advantage of these "special situations", which include restructuring, mergers, takeovers and spinoffs or other major event.
   d) *Managed Futures*: going long or short in futures contracts for investment purposes on financial index related to equity, currencies, rates, government bonds and to a lesser extent commodities. Such strategy seeks to provide portfolio diversification to help mitigate portfolio risk.
   e) *Long Short Credit*: a strategy focused on the analysis and valuation of credit securities in order to identify long and short investment opportunities. Such strategy seeks to take exposure to credit-sensitive securities, long and/or short, based upon credit analysis of issuers and securities, and credit market views.
   f) *Global Macro*: a strategy that takes long and short positions in various equity, currency and fixed income markets, primarily on overall fundamental analysis of macro-economic trends and political views of various countries. Such strategy seeks to take advantage from macroeconomic developments of the world.
2. Ancillary assets

   The remaining portion, namely a maximum of 30% of its assets, may be invested in any other UCITS or UCI, financial derivatives instruments (such as currency forwards) for hedging and efficient portfolio management, money market instruments or cash.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Alternative Investment Strategies Risks
- Commodity Market Risk
- Emerging Markets Risk
- Risks related to Investment Restrictions 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 market neutral absolute performance;
- can accept medium market risks.

Accounting Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU1484486714	No	EUR	
Classic Plus	CAP	LU1484486805	No	EUR	
E	CAP	LU1484486987	No	EUR	
I	CAP	LU1484487100	No	EUR	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB (1)
Classic	1.20%	Yes (1)	None	0.10%	0.05%
Classic Plus	0.90%	Yes (1)	None	0.10%	0.05%
E	0.80%	Yes (1)	None	0.10%	0.05%
I	0.50%	Yes (1)	None	0.10%	0.01%

(1) 10% with EONIA+4% as hurdle rate.

(2) 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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

Indirect fee: 1.50% maximum

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 that Valuation Day. If such day is a bank holiday, the Valuation Day will occur the following business 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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption 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.

NAV cycles for subscription or conversion in orders:

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 three days preceding the Valuation Day (D-3)	Valuation Day (D)	Three days after the Valuation Day (D+3)	Maximum five bank business days after the Valuation Day(1) (D+5)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

NAV cycles for redemption or conversion out orders:

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 seven days preceding the Valuation Day (D-7)	Valuation Day (D)	Three days after the Valuation Day (D+3)	Maximum five bank business days after the Valuation Day(1) (D+5)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 19 December 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.

PARWORLD Multi Factor Investing

Investment objective

Increase the value of its assets over the medium term while maintaining the annualized volatility of the portfolio under 10%.

Investment policy

In order to achieve this objective, the sub-fund may invest in equities, bonds, money market instruments, directly or through UCITS and/or UCIs, financial derivative instruments and ancillary in cash. Financial derivative instruments invested in consist of OTC derivatives such as swaps, unfunded TRS, forwards and/or derivatives traded on regulated markets such as options and futures in order to be exposed to most liquid interest rates, foreign exchange and credit markets and main equity markets.

In order to achieve its objective while maintaining the annualized volatility under 10%, the investment manager may apply a flexible asset allocation strategy between interest rates, foreign exchange and credit markets on the one hand and equity markets on the other hand. The allocation is discretionary and will be determined on the basis of a risk budget type approach. The allocated risk budget may vary over time according to market fluctuations and their interpretation in terms of risks by the investment manager.

Depending on the allocated risk budget, the sub-fund may be exposed as follow:

1) To interest rates, foreign exchange and credit markets by implementing two approaches:
   a) a directional approach, where the sub-fund enters into long position only, on the interest rate, foreign exchange and credit markets, without any geographic limitation, through UCITS and/or UCIs, or financial derivatives instruments.
   b) a Multi Factor Investment approach, where the sub-fund may be exposed to interest rates, foreign exchange and credit markets through UCITS and/or UCIs and/or direct investment including financial derivatives instruments.
2) To equity markets by implementing two approaches:
   a) a directional approach, where the sub-fund enters into long positions only, on equity markets without any geographic limitation, through UCITS and/or UCIs and/or financial derivatives instruments.
   b) a Multi Factor Investment approach, where the sub-fund may be exposed:
      - to equity market neutral strategies through UCITS and/or UCIs, and/or
      - to several quantitative factors (such as value, profitability, low-volatility and momentum) through UCIs combined to short positions through financial derivatives instruments.

<u>Leverage notional details:</u>

a) The expected leverage, estimated at 4, is defined as the sum of the absolute values of the derivatives notional (with neither netting nor hedging arrangement) divided by the NAV. A higher leverage level could be reached during the life of the sub-fund regarding its investment strategy.
b) The expected leverage results on one hand, from index futures purchases and sales, that have a high leverage contribution as well as index options trading; and on the other hand leverage will result from index basket swaps as sources of Alpha diversification.
c) Higher leverage: under certain circumstances - higher risk budget in a low market volatility environment (bond/equity) - the leverage can be higher: in this case the larger contribution comes from exposure to bonds/equities futures markets.
d) Leverage Risk Warning: leverage may under certain circumstances generate an opportunity for higher return and therefore more important income, but at the same time, may increase the volatility of the value of the assets of the sub fund hence a risk to lose capital.
e) Risk management: a risk management procedure supervises this investment strategy through a daily VaR (99%; 1-month) computed via RiskMetrics, monthly back test and stress tests complete the risk analysis; in addition to this regulatory process, the fund will be managed in respect of a regulatory VaR (99%; 1-month) limit of 20%.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives 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 through exposure to a range of asset classes, globally;
- can accept medium market risks.

Accounting Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU1325804562	No	EUR	
Classic	DIS	LU1325805536	Annual	EUR	
N	CAP	LU1325805882	No	EUR	
Privilege	CAP	LU1325806260	No	EUR	
I	CAP	LU1325806773	No	EUR	
X	CAP	LU1325807581	No	EUR	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB [1]
Classic	1.20%	No	None	0.25%	0.05%
N	1.20%	No	0.75%	0.25%	0.05%
Privilege	0.60%	No	None	0.25%	0.05%
I	0.40%	No	None	0.20%	0.01%
X	None	No	None	0.20%	0.01%

(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 Fees, the difference may be payable.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

Indirect fee: 1.00% maximum

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 that Valuation 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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption 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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day [1] (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 23 March 2016 with the name "Muffin"

Renamed "Multi Factor Investing" on 15 May 2017

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.

PARWORLD Multi-Asset Booster

Investment objective

Until 31 August 2017:

Increase the value of its assets over the medium term while seeking to maintain the VaR (99%; 1-month) of the portfolio close to 18%.

As of 1 September 2017:

Increase the value of its assets over the medium term while seeking to maintain the VaR (99%; 1-month) of the portfolio close to 17.5%.

Investment policy

Until 31 August 2017:

In order to achieve this objective, the sub-fund may invest directly in transferable securities, money market instruments, over-the-counter derivatives such as swaps, derivatives traded on regulated markets such as options and futures, and/or in shares or units issued by UCITS or UCIs, and also in cash. The sub-fund may invest in derivatives that are listed or in derivatives that are traded over-the-counter.

The sub-fund follows an iso-VaR investment process with an objective to maintain the VaR (99%; 1-month) of the portfolio close to 18%. In order to achieve this target VaR objective, the sub-fund may apply an asset allocation strategy in order to invest in a range of asset classes, which will usually include equity, commodities*, credit, interest rates, inflation-linked indexes, currencies and other assets underlying derivatives such as volatility, variance, correlation and dispersion. This shall result in a diversified portfolio.

The sub-fund uses leverage. The allocation in % between the different asset classes listed above is fixed over long period based on BNP Paribas Investment Partners research, except for the drift due to difference of markets' evolutions. Only the leverage can change over time. The strategy is implemented systematically according to volatility market conditions using an algorithm which objective is to maintain the 18% target VaR by adjusting the asset classes exposures should the need arise. For this purpose, The VaR (99%; 1-month) is computed on a daily basis. Each time the result of this computation does not lie between 15.5% and 19.5%, the algorithm adjusts the leverage so that the VaR (99%; 1-month) is again 18%.

Regarding equity, the sub-fund enters into long positions through various equity underlyings (for instance, without being neither mandatory nor restrictive, futures on representative indexes of the Eurozone, the US, the Japanese or the emerging equity markets). The sub-fund also enters into short positions through derivatives notably by selling out-of-the-money calls on the same or equivalent equity underlyings and for an equivalent notional, rolled every month, in order to capture the risk premium in case of markets decrease. As a consequence, in case of markets increase, the equity exposure beyond the strikes of the out-of-the-money calls is offset. For the sake of clarity, in case of markets decrease, the sale of the out-of-the-money calls on equity underlyings will not provide any hedge.

Regarding other asset classes, the sub-fund only enters into long positions (for instance, without being neither mandatory nor restrictive, through diversified commodities futures indices or government bonds futures).

The sub-fund will not invest more than 10% of its net assets in shares or units issued by UCITS or other UCIs.

The following investment restrictions will apply:

- the sub-fund may invest up to 100% of its net assets in short-term deposits and money market instruments;
- the maximum amount of cash the sub-fund can place with a single counterparty is 20% of its net assets;
- investments in derivatives traded over-the-counter are only possible if the counterparty is a first-rate financial institution specialising in this type of transaction;
- When a derivative is defined by reference to an index the index must be sufficiently diversified, constitute an adequate benchmark for the relevant market, and be published in an appropriate manner.

* Investments in derivatives on financial indexes based on commodities and in transferable securities that are sensitive to fluctuations in commodities prices

Leverage notional details:

a) The expected leverage, estimated at 7, is defined as the sum of the absolute values of the derivatives notional (with neither netting nor hedging arrangement) divided by the NAV. A higher leverage level could be reached during the life of the sub-fund regarding its investment strategy.
   The expected leverage results for its main part of equities derivative positions: index futures purchases have a high leverage contribution as well as call options selling; call options selling contributes also to lessen the equity exposure in case of market increase.
b) Higher leverage: under certain circumstances (low market volatility environment associated to "in-the-money" call options), the leverage can be higher: in this case the larger contribution comes from equity calls' options selling, note that these positions contribute to lower the equity position of the sub-fund;
c) Leverage Risk Warning: please be advised that leverage may under certain circumstances generate an opportunity for higher return and therefore more important income, but at the same time, may increases the volatility of the value of the assets of the sub fund hence a risk to lose capital.
d) Risk management: as required by the local regulator, a solid risks management process supervises this investment strategy through a daily VaR (99%; 1-month) computed via RiskMetrics, monthly back test and stress tests complete the risk analysis; *in addition to this regulatory process, the fund will be managed in respect of 2 limits: a regulatory VaR (99%; 1-month) limit of 20% and an Internal VaR (99%; 1-month) limit of 18%*.

As of 1 September 2017:

In order to achieve this objective, the sub-fund may invest directly in transferable securities, money market instruments, over-the-counter derivatives such as swaps, unfunded TRS, derivatives traded on regulated markets such as options and futures, and/or in shares or units issued by UCITS or UCIs, and also in cash.

The sub-fund follows an iso-VaR investment process with an objective to maintain the VaR (99%; 1-month) of the portfolio close to 17.5%. In order to achieve this target VaR objective, the sub-fund may apply an asset allocation strategy in order to invest in a range of asset classes, which will usually include equity, commodities*, credit, interest rates, inflation-linked indexes, currencies and other assets underlying derivatives such as volatility, variance, correlation and dispersion. This shall result in a diversified portfolio.

The sub-fund uses leverage. The allocation in % between the different asset classes listed above is fixed over long period based on BNP PARIBAS ASSET MANAGEMENT research, except for the drift due to difference of markets' evolutions. Only the leverage can change over time. The strategy is implemented systematically according to volatility market conditions using an algorithm which objective is to maintain the 17.5% target VaR by adjusting the asset classes exposures should the need arise. For this purpose, The VaR (99%; 1-month) is computed on a daily basis. Each time the result of this computation does not lie between 15.5% and 19.5%, the algorithm adjusts the leverage so that the VaR (99%; 1-month) is again 17.5%.

The sub-fund only enters into long positions through various underlyings (for instance, without being neither mandatory nor restrictive, futures on representative equity indexes of the Eurozone, the US, the Japanese or the emerging markets), diversified commodities futures indices or government bonds futures).

The sub-fund will not invest more than 10% of its net assets in shares or units issued by UCITS or other UCIs.

The following investment restrictions will apply:

- the sub-fund may invest up to 100% of its net assets in short-term deposits and money market instruments;
- the maximum amount of cash the sub-fund can place with a single counterparty is 20% of its net assets;
- investments in derivatives traded over-the-counter are only possible if the counterparty is a first-rate financial institution specialising in this type of transaction;
- When a derivative is defined by reference to an index the index must be sufficiently diversified, constitute an adequate benchmark for the relevant market, and be published in an appropriate manner.

* Investments in derivatives on financial indexes based on commodities and in transferable securities that are sensitive to fluctuations in commodities prices

Leverage notional details:

a) The expected leverage, estimated at 5, is defined as the sum of the absolute values of the derivatives notional (with neither netting nor hedging arrangement) divided by the NAV. A higher leverage level could be reached during the life of the sub-fund regarding its investment strategy. The expected leverage results for its main part of equities derivative positions: index futures purchases have a high leverage contribution

b) Higher leverage: under certain circumstances, the leverage can be higher in case of low market volatility environment and in case of strong allocation to fixed income.

c) Leverage Risk Warning: please be advised that leverage may under certain circumstances generate an opportunity for higher return and therefore more important income, but at the same time, may increases the volatility of the value of the assets of the sub fund hence a risk to lose capital.

d) Risk management: as required by the local regulator, a solid risks management process supervises this investment strategy through a daily VaR (99%; 1-month) computed via RiskMetrics, monthly back test and stress tests complete the risk analysis; *in addition to this regulatory process, the fund will be managed in respect of 2 limits: a regulatory VaR (99%; 1-month) limit of 20% and an Internal VaR (99%; 1-month) limit of* 19%.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Commodity Market Risk

Derivatives 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 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

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0774753031	No	EUR	USD
Privilege	CAP	LU0774753114	No	EUR	USD
I	CAP	LU0552548181	No	EUR	USD
I Plus	CAP	LU0774753205	No	EUR	USD
X	CAP	LU0552547969	No	EUR	USD

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	*TAB* (1)
Classic	1.75%	No	None	0.35%	0.05%
Privilege	0.90%	No	None	0.35%	0.05%
I	0.75%	No	None	0.30%	0.01%
I Plus	0.40%	No	None	0.20%	0.01%
X	None	No	None	0.10%	0.01%

(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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

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 that Valuation 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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption 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[(1)] (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 2 November 2010 with the name "Asset Allocation Derivatives Fund"

Renamed "Beta Derivatives Fund" on 1 December 2010

Reverse split on "X" category (exchange of 1,000 existing shares for 1 new share) on 13 May 2011

Revamped into "Multi-Asset Booster" on 10 November 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.

PARWORLD Quant Equity Europe Guru

Investment objective

Increase the value of its assets over the medium term.

Investment policy

The sub-fund implements a dynamic investment strategy consisting in a quantitative stock picking of European equities. The strategy can be implemented either synthetically, through the conclusion of index derivatives such as performance swaps, , or directly.

It invests at all times at least 75% of its assets in equities issued by companies that have their registered office in a member country of the European Economic Area, other than non-cooperative countries in the fight against fraud and tax evasion.

The remainder, namely 25% of its assets maximum, may be invested in any other transferable securities, in derivatives, money market 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 and/or UCIs.

For sound portfolio management and/or hedging purposes, the sub-fund may enter into derivatives such as but not limited to performance swaps, unfunded TRS and/or futures and/or certificates. It may enter into securities lending/borrowing transactions and repurchase or reverse repurchase agreements.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives 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	Minimum holding	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0774754435	No	None	EUR	USD
Classic	DIS	LU0776280454	Annual	None	EUR	USD
Classic RH USD	CAP	LU0776280538	No	None	USD	
N	CAP	LU0774754518	No	None	EUR	USD
Privilege	CAP	LU0774754609	No	EUR 100 000,- per sub-fund Managers: none	EUR	
Privilege	DIS	LU1418638869	Annual	EUR 100 000,- per sub-fund Managers: none	EUR	
I	CAP	LU0774754781	No	EUR 250 000,- per sub-fund UCI: none	EUR	GBP, USD
Life	CAP	LU1418638943	No	None	EUR	
X	CAP	LU0774754864	No	None	EUR	USD

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB [(1)]
Classic	1.50%	No	None	0.40%	0.05%
N	1.50%	No	0.75%	0.40%	0.05%
Privilege	0.75%	No	None	0.40%	0.05%
I	0.60%	No	None	0.35%	0.01%
Life	0.50%	No	None	0.40%	0.01%
X	None	No	None	0.35%	0.01%

(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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

PARWORLD Quant Equity Europe Guru

Additional information

Valuation Day:

For each day of the week on which banks are open for business in Luxembourg and in France (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day except if the stock exchange is closed in France, United Kingdom, Germany, Sweden, Italy, Switzerland, Norway or Denmark, with the exception of December 31st of each year.

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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days (with the exception of December 31st of each year), and the time mentioned is Luxembourg time. Orders received on December 31st of each year will be suspended and treated on the following business day in Luxembourg.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
12:00 CET on the Valuation Day (D)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day(1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 3 September 2012

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.

PARWORLD Quant Equity Europe Income Defensive

Master-feeder structure

This sub-fund is involved in a master-feeder structure as a feeder sub-fund (“The Feeder”).
The master fund (“the Master”) is the “THEAM Quant - Equity Europe Income Defensive” sub-fund of THEAM Quant, a Luxembourg SICAV governed by the provisions of the Directive 2009/65 which has appointed THEAM as its Management Company.
The prospectus, KIID, Articles of Association and periodical reports of the Master are available on the website: www.bnpparibas-am.com
The agreement between the Master and Feeder relating to the provision of all documents and information necessary for the latter to meet the requirements laid down to the UCITS regulation, and all other information concerning the Master are available upon request to the Management Company.
The Master and the Feeder have taken appropriate measures to coordinate the timing of their NAV calculation and publication, in order to avoid Market Timing in their units and shares, preventing arbitrage opportunities.

Investment objective

Investment Objective of the Feeder

Invest in the Master.

Investment Objective of the Master

Provide income and capital growth (i) by being exposed to a basket of high-dividend European equities and (ii) by implementing a systematic options strategy which aims at generating additional income and reducing risk by minimizing volatility in the Sub-fund.
The Sub-fund will not invest more than 10% of its net assets in units or shares of UCITS or other UCIs.

Investment policy

Investment policy of the Feeder:

This sub-fund invests at least 85% of its assets in the Master through the use of « X » shares category denominated in EUR.
The remaining portion, namely a maximum of 15% of its assets, may be invested in:

a) ancillary liquid assets;
b) financial derivative instrument, which may be used only for hedging purposes, in accordance with the Appendix 1, point 1.g) and Appendix 2 of Book I of the Prospectus.

Investment policy of the Master:

In order to achieve its investment objective, the Sub-fund implements a quantitative investment strategy (the Strategy) that combines two performance pillars:

(a) a long exposure to a basket of high-dividend European equities through the BNP Paribas High Dividend Europe Equity Net Total Return Index (the Strategy Index). The Strategy Index aims at selecting equities following a process based on the analysis of their ability to pay high, recurring and sustainable dividends; and
(b) a complementary systematic options strategy on the Euro Stoxx 50 index intended to improve the risk/return ratio compared to a direct investment in the Strategy Index by taking short positions on call options on the on the Euro Stoxx 50 index which aim at generating additional income while limiting the Sub-fund's volatility and long positions on put options on the Euro Stoxx 50 index in order to reduce the Sub-fund's volatility.

The objective of the model used to build the Strategy Index is to select stocks which pay high dividends and have the capacity to maintain these dividend levels over the long term among the investment universe. The investment universe is composed of leading European large cap equities, excluding financial stocks, deemed to offer adequate liquidity. The model therefore selects stocks on the basis of fundamental criteria designed to assess the stock's dividend growth potential, dividend stability and creditworthiness.
The BNP Paribas High Dividend Europe Equity Net Total Return Index (Bloomberg code: BNPIHEUN Index) is an index denominated in EUR, calculated with net dividends reinvested. The Strategy Index is based on a quantitative algorithm developed by BNP Paribas and is rebalanced every month using a specific algorithm. The Sub-fund will not make use of the increased diversification limits provided for in article 44 of the 2010 Act and further described under Section 3.15 of the General Section.
The rebalancing of the Strategy Index does not involve any cost for the Strategy Index. For further information on the Strategy Index, investors are invited to consult the following website: https://indices-globalmarkets.bnpparibas.com. The complete breakdown of this index and performance information are available on the same page.
The index calculation method is available directly at: https://indices-globalmarkets.bnpparibas.com/nr/HDENTR.pdf. Investors may obtain a paper version of the Strategy Index rulebook within one week on written request to THEAM TSA 47000 – 75 318 Paris Cedex 09. E-mail: THEAM.sales.support@bnpparibas.com.
In addition to this exposure to the Strategy Index, the Sub-fund is also exposed to a complementary options strategy which includes two steps:

(a) The first step will consist in systematically implementing a buy-write type of options strategy, with the aim of supplementing exposure to the Strategy Index by taking short positions on short-term call options on the Euro Stoxx 50 price index. This options strategy will enable the Sub-fund to generate additional income while limiting its overall volatility and will be particularly appropriate in stable or fairly directionless markets.
(b) The second step will consist in supplementing exposure to the Strategy Index by systematically taking long positions on put options on the Euro Stoxx 50 price index. This options strategy, which is particularly appropriate in very bearish markets, will enable the Sub-fund to limit the effects of falling European equity markets and thereby limit its volatility.

The Strategy is implemented according to a Synthetic Replication Policy, through the conclusion of OTC Derivatives.
The Synthetic Replication Policy implies that the Sub-fund either (i) invests its assets in Transferable Securities or Money Market Instruments (the Financing Assets) and exchanges the performance of up to 100% of the Financing Assets through OTC Derivatives to gain exposure to the Strategy or (ii) concludes an OTC Derivative with an initial exchange of the net proceeds of the issue of Shares in order to gain exposure to the Strategy. The Underlying Assets consists of the Strategy Index and options on the Euro Stoxx 50 price index.
In exceptional circumstances, depending on the economic environment, the Sub-fund may implement the Strategy directly by investing in the equities making up the Strategy Index and in options and derivatives linked to equity markets.

PARWORLD Quant Equity Europe Income Defensive

The Sub-fund invests at all times at least 75% of its net assets in equities issued by companies that have their registered office in a Member State of the European Economic Area, other than non-cooperative countries in the fight against fraud and tax evasion.
The remainder, namely 25% of its net assets maximum, may be invested in any other Transferable Securities, in derivatives, Money Market Instruments and/or cash, and also, within a limit of 15% of its net assets, in debt securities of any kind, and within a limit of 10% of its net assets, in UCITS and/or UCIs.
The Sub-fund may use efficient portfolio management techniques.

Risk profile

Specific Feeder risks:

- Counterparty Risk
- Derivatives Risk

Specific Master risks:

- Derivatives Risk
- Conflicts of interest
- Equity Market Risks
- Market Volatility

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	LU1418639248	No	EUR	
Privilege	CAP	LU1418639321	No	EUR	
I	CAP	LU1418639594	No	EUR	

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB (1)	Aggregate Charges Master-Feeder (2) (maximum)
Classic	1.50%	No	None	0.35%	0.05%	2.21%
Privilege	0.80%	No	None	0.35%	0.05%	1.86%
I	0.60%	No	None	0.35%	0.01%	1.31%

(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 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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

The Feeder will not support subscription or redemption fee for its investments in the Master.

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 that Valuation Day unless the NAV of the Master is not calculated, with the exception of December 31st of each year.

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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days (with the exception of December 31st of each year), and the time mentioned is Luxembourg time. Orders received on December 31st of each year will be suspended and treated on the following business day in Luxembourg. Subscriptions in kind are not authorised.

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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day(1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund not yet launched at the date of this Prospectus.

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.

PARWORLD Quant Equity World Guru

Investment objective

Increase the value of its assets over the medium term.

Investment policy

The sub-fund implements a dynamic investment strategy consisting in a quantitative stock picking of worldwide equities. The strategy can be implemented either synthetically, through the conclusion of index derivatives such as performance swaps or directly.

It invests at least 75% of its assets in equities and/or securities treated as equivalent to equities issued by companies of any country, and also in derivatives on this type of asset (such as but not limited to performance swaps and/or futures and/or certificates).

The remainder, namely 25% of its assets maximum, may be invested in any other transferable securities, in derivatives, money market 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 and/or UCIs.

For sound portfolio management and/or hedging purposes, the sub-fund may enter into derivatives such as swaps and TRS. It may enter into securities lending/borrowing transactions and repurchase or reverse repurchase agreements.

Risk profile

Specific market risks:

- Counterparty Risk
- Derivatives Risk
- Operational & Custody Risk
- Emerging Markets risk
- Risks related to investment restrictions 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

USD

Share Categories

Category	Class	ISIN code	Dividend	Minimum holding	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0774754948	No	None	USD	EUR, CHF
Classic	DIS	LU0776280611	Annual	None	USD	EUR, CHF
Classic RH EUR	CAP	LU0774755085	No	None	EUR	
N	CAP	LU0774755168	No	None	USD	EUR
Privilege	CAP	LU0774755242	No	USD 100 000,- per sub-fund Managers: none	USD	EUR
I	CAP	LU0774755325	No	USD 250 000,- per sub-fund UCI: none	USD	CHF, GBP, EUR
I Plus	CAP	LU1220931312	No	USD 250 000,- per sub-fund UCI: none	USD	CHF, GBP, EUR
Life	CAP	LU1418639081	No	None	EUR	
X	CAP	LU0774755598	No	None	USD	EUR

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	TAB (1)
Classic	1.50%	No	None	0.40%	0.05%
N	1.50%	No	0.75%	0.40%	0.05%
Privilege	0.75%	No	None	0.40%	0.05%
I	0.60%	No	None	0.35%	0.01%
Life	0.50%	No	None	0.40%	0.01%
X	None	No	None	0.35%	0.01%

(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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

Additional information

ValuationDay:

For each day of the week on which banks are open for business in Luxembourg and in France (a "Valuation Day"), there is a corresponding net asset value which is dated that Valuation Day except if one or several stock exchanges that provide 10% or more of the sub-fund's equity exposure are closed or are expected to close, with the exception of December 31st of each year. However, it is still possible for the management company to publish a net asset value on a given business day even if this 10% threshold is exceeded.

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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days (with the exception of December 31st of each year), and the time mentioned is Luxembourg time. Orders received on December 31st of each year will be suspended and treated on the following business day in Luxembourg.

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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day(1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 18 July 2012

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.

PARWORLD Track EMU Government Bond 1-10 Years

Investment objective

Replicate the performance of the BofA Merrill Lynch 1-10 Year Euro Government (RI) Index*, including fluctuations, and to maintain the tracking error between the net asset value of the sub-fund and that of the index below 1%.

Investment policy

For that purpose, the manager of the sub-fund's portfolio will use the index replication method described below, to ensure optimum management of the sub-fund.

The sub-fund will not invest more than 10% of its NAV in units or shares of UCITS or other UCIs.

Full replication

The sub-fund will achieve exposure to government bonds issued in the eurozone by investing at least 90% of its assets in debt securities issued by countries included in the index.
The remainder of the assets may be invested in debt securities other than those referred to in the core policy, money market instruments or cash.
The sub-fund aims at replicating as closely as possible the performance of its reference index. However, it may experience some degree of tracking error due to replication costs.
Tracking error is calculated as the standard deviation of the difference in the sub-fund and benchmark* weekly returns over one year.
In full replication, tracking error is mainly due to transaction costs, differences in dividend reinvestment policies and tax treatments and cash drag.
The sub-fund follows the same rebalancing policy as the index. Index changes are implemented on the same day as in the index in order not to deviate from the index performance.
The costs of rebalancing the portfolio will depend on the index turnover and the transactions costs of trading the underlying securities. Rebalancing costs will impact negatively the sub-fund's performance.

* *The benchmark is the BofA Merrill Lynch 1-10 Year Government (RI) Index, a total return index published in euros by BofA Merrill Lynch, which is composed of 226 securities (as at 16 July 2014). The composition of the index is reviewed on the last calendar day of every month. The index is valued daily. The majority of the index's underlying components are EUR-denominated government bonds publicly issued by euro area member states.*
Additional information on the Index, its composition, calculation and rules for periodical review and rebalancing and on the general methodology behind the Index can be found on www.mlindex.ml.com.

Risk profile

Specific market risks:

- Tracking Error 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 fixed income securities;
- can accept low to medium market risks.

Accounting Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Minimum holding	Reference Currency	Other Valuation Currencies
Classic	CAP	LU1030898321	No	None	EUR	USD
Privilege	CAP	LU1030898594	No	EUR 100,000- per sub-fund Managers: none	EUR	USD
Privilege	DIS	LU1030898677	Annual	EUR 100,000- per sub-fund Managers: none	EUR	USD
I	CAP	LU1030898750	No	EUR 250,000- per sub-fund UCI: none	EUR	USD
X	CAP	LU1030898834	No	None	EUR	USD

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (max)	Distribution (max)	Other (max)	*TAB* (1)
Classic	0.50%	No	None	0.30%	0.05%
Privilege	0.05%	No	None	0.05%	0.05%
I	0.05%	No	None	0.04%	0.01%
X	None	No	None	0.08%	0.01%

(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.*

Anti-Dilution Levy

In addition to the maximum fees payable by the investors, an anti-dilution levy, as defined in Book I, of maximum 0.05% for subscription or conversion in, and maximum 0.05% for redemption or conversion out may be applicable.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

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 that Valuation Day. There will be no NAV calculation for the days on which the stock exchange is not open or Is expected to close earlier on markets that provide listing data for components representing a substantial part of the index (over 10%), with the exception of December 31st of each year, unless otherwise decided by the Board of Directors.

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-am.com

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation Days (with the exception of December 31st of each year), and the time mentioned is Luxembourg time. Orders received on December 31st of each year will be suspended and treated on the following business day in Luxembourg.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date
15:00 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 [(1)] (D+3)

[(1)] If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund launched on 19 December 2014 by absorption of the "BNP Paribas Euro Government Bond Index Fund" sub-fund of the Dutch AIF BNP Paribas Fund II N.V.

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.

PARWORLD Tracker Macro Opportunities

Investment objective

Achieve an absolute performance over the medium term.

Investment policy

The sub-fund will invest mainly in fixed-rate or floating-rate debt securities (bonds, negotiable debt securities, certificates of deposit, commercial paper, etc. insofar as such securities can be described as transferable securities), and in equities issued by companies from any country, directly or through UCITS and/or UCIs.

The sub-fund may also invest in commodity funds or volatility funds.

The portfolio allocation will be composed of a low risky asset part (through, such as but not limited to, high quality Money Market funds) and a risky asset part (mainly index-tracker funds that give exposure to equities, fixed income securities, real estate*, commodities* and volatility).

*The sub-fund does not hold real estate, commodities directly but through funds or indexes.

The sub-fund may invest in derivatives linked to the world's main currencies for currency hedging purposes.

The annualised portfolio volatility target is 8% maximum.

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:

- Commodity Market Risk
- Distressed (Default) Securities Risk
- Emerging Markets Risk
- Risks related to investment restrictions 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 through exposure to a range of asset classes, globally;
- can accept medium market risks.

Accounting Currency

EUR

Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0218129350	No	EUR	USD
Classic	DIS	LU0256127522	Annual	EUR	USD
N	CAP	LU0774753387	No	EUR	USD
Privilege	CAP	LU0774753460	No	EUR	USD
I	CAP	LU0218129780	No	EUR	USD
X	CAP	LU0774753544	No	EUR	USD

All these share classes are not necessarily active.

Fees payable by the sub-fund

Category	Management (max)	Performance (1) (max)	Distribution (max)	Other (max)	TAB (2)
Classic	1%	Yes	None	0.35%	0.05%
N	1%	Yes	0.75%	0.35%	0.05%
Privilege	0.50%	Yes	None	0.35%	0.05%
I	0.40%	Yes	None	0.25%	0.01%
X	None	No	None	0.25%	0.01%

(1) 10% with 3M Euribor as hurdle rate.

(2) 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.

For each active share, a KIID is available which mentions, among others, the launch date, the Reference Currency and the historical performance. The KIIDs are available on the website www.bnpparibas-am.com

Indirect fee: 1.00% maximum

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 that Valuation 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-am.com

PARWORLD Tracker Macro Opportunities

Terms of subscription / conversion / redemption:

Subscription, conversion and redemption 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 day preceding the Valuation Day (D-1)	Valuation Day (D)	Day after the Valuation Day (D+1)	Maximum three bank business days after the Valuation Day (1) (D+3)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

Historical information:

Sub-fund was launched on 19 June 2009 with the name “Orchestra Forte”

Renamed “ETF Flexible Allocation” on 12 November 2009

Renamed “Flexible Tracker Allocation” on 31 July 2013

Current name first applied on 29 January 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.