BNP Paribas L1 Safe Balanced W10

abbreviated as **BNPP L1 Safe Balanced W10**

About the Company

BNP Paribas L1 established in Luxembourg on 29 November 1989 for an indefinite period as an open-ended investment company (société d'investissement à capital variable - abbreviated to SICAV) with multiple subfunds in accordance with the provisions of Part I of the Law of 30 March 1988 governing collective investment undertakings.

It is currently subject to the provisions of Part I of the Law of 20 December 2002 governing collective investment undertakings and to' European Directive 85/611/EEC as amended by Directives 2001/107/EC and 2001/108/EC.

The full name (BNP Paribas L1) and the abbreviated name (BNPP L1) may be used interchangeably in the company's official and commercial documents.

Investment objective

To increase asset value in the medium term

Investment policy

This subfund invests in bond and equities markets, in money market instruments, in undertakings for collective investment and in cash instruments. Emphasis is placed on international diversification of investments.

The subfund may also use derivative financial techniques and instruments, as defined in Appendix 2 of the Full Prospectus.

In a scenario of upwardly moving financial markets, the subfund will attempt to emulate the performance of the Diversified World Balanced subfund. Conversely, in a scenario of downward market movement, the subfund will attempt to limit negative performance to a predetermined level in line with the risk profile adopted. In this scenario, the subfund will protect itself against this trend by allocating a portion of its assets to euro-denominated money market instruments and debt securities whose average maturity is less than 12 months and whose residual duration will never exceed 3 years and, on an ancillary basis, to liquid assets. If financial markets subsequently recover, such allocation may however lead to a weaker reproduction of the performance of the Diversified World Balanced subfund.

For the Safe Balanced subfund, the manager's objective is to limit negative performance to 10% per year of the reference value based on a benchmark threshold (expressed in euros) to be observed. The reference value consists of the net asset value of the Classic-Capitalisation share calculated on the first banking day of the base period (01/10 - 30/09). The reference value is recalculated each year.

The objective only applies to the comparison of the net asset value at the end of the period with the reference value. No guarantee can be given that this objective will be achieved.

The risk is closely related to the percentages invested in the different asset classes. Thus, each time the reference value is determined, the portfolio's composition will be aligned to that of the Smart Benchmark - Balanced (see Book I of the Full Prospectus). Temporary investments in liquidities are not excluded. For effective portfolio management, the manager may deviate from this composition based on market conditions and his forecasts.

Investments in equities may include small, medium and large capitalisation companies in all international stock markets (Europe, USA, Japan and emerging markets).

Investments in bonds may include government and corporate bonds, and inflation-linked bonds. The manager will have the possibility of selecting high-grade bonds (Investment Grade) or lower (High Yield), and emerging markets bonds.

At each reference value calculation, the cash allocation will be minimised in order to place the subfund in the best possible position in its attempt to emulate the performance of the Diversified World Balanced subfund.

Risk profile

Potential investors are requested to read the full prospectus carefully before making any investment. No guarantee can be given that the investment objectives of subfunds will be achieved, and past performance is no guarantee of future performance. Any investment may also be affected by any changes to rules relating to currency exchange controls, taxation or withholding at source, or in terms of economic and monetary policies.

Investors are also warned that the performance of subfunds may not meet their objectives and that their invested capital (after deduction of subscription fees) may not be repaid in full.

This subfund is subject to low levels of market risk and performance risk.

Annual performance

	2009	2008	2007
Classic	**5,88%**	**-15,18%**	**2,80%**
Fintro	**5,87%**	**-15,16%**	**NA**
I	**NA**	**NA**	**NA**

	2009	2008	2007
Life	**6,06%**	**-15,08%**	**2,99%**
X	**NA**	**NA**	**NA**
Classic USD	**NA**	**NA**	**NA**
Privilege	**NA**	**NA**	**NA**

Past performance is not an indicator of future performance.

Typical investor profile

Five investor profiles have been defined: conservative, defensive, moderate, dynamic and aggressive.

This subfund matches the moderate.

Recommended investment horizon: 4 years

This information is provided for illustrative purposes only and does not constitute a commitment by the Company.

Shares – "Classic" Class

"Classic-Capitalisation", in registered form or as uncertificated bearer shares.

ISIN Code
LU0194605332

Shares – "Fintro" Class

The sale of this subfund in Belgium via the "FINTRO" network will be in the "MAESTRO Safe Balanced W10" denomination through the same class.

Exclusively capitalisation shares, issued in registered form or as uncertificated bearer shares.

ISIN Code
LU0269750930

Shares – "I" Class

Exclusively capitalisation shares, issued in registered form. At an investor's request, the Board may decide to issue uncertificated bearer shares.

Minimum holding:

- For institutional investors: EUR 3 million per subfund or EUR 10 million for the whole Company.

- For UCI: none

ISIN Code
LU0194605761

Shares – "Life" Class

Exclusively capitalisation shares, issued in registered form.

ISIN Code
LU0269746151

Shares – "X" Class

Exclusively capitalisation shares, issued in registered form.

Reserved for all Managers, institutional clients or UCIs pre-approved by the Board of Directors

ISIN Code
LU0531983251 "X-Capitalisation"

Shares – "Classic USD" Class

"Classic USD-Capitalisation", in registered form or as uncertificated bearer shares.

ISIN Code
LU0531983095 "Classic USD-Capitalisation"

Shares – "Privilege"

Exclusively capitalisation shares, issued in registered form or as uncertificated bearer shares.

Minimum holding: EUR 1 million per subfund

ISIN Code
LU0531983178 "Privilege-Capitalisation"

Commissions and fees

Maximum recurring commissions and fees borne by the subfund

	Management fee	Performance fee	Distribution fee	Other charges	*Taxe d'abonnement*	TER at 31/12/09
Classic	1,75%	none	none	0,30%	0,05%	2,00%
Fintro	1,75%	none	none	0,30%	0,05%	2,00%
I	0,65%	none	none	0,300%	0,01%	NA
Life	1,64%	none	0,115%	0,17%	0,01%	1,82%
X	none	none	none	0,300%	0,01%	NA
Classic USD	1,75%	none	none	0,30%	0,05%	NA
Privilege	0,90%	none	none	0,30%	0,05%	NA

Comments on the management fee

"Classic" Class: reduced to 0.40% when 100% of the assets are invested in money market instruments.

"Fintro" Class: reduced to 0.40% when 100% of the assets are invested in money market instruments.

"I" Class: reduced to 0.20% when 100% of the assets are invested in money market instruments.

"Life" Class: reduced to 0.40% when 100% of the assets are invested in money market instruments.

"Classic USD" Class: reduced to 0.40% when 100% of the assets are invested in money market instruments.

"Privilege" Class: reduced to 0.20% when 100% of the assets are invested in money market instruments.

In Belgium, the Company is also subject to an annual tax on UCI representing 0.08% of the net amounts publicly sold in Belgium by the Company, once it is registered with the CBFA.

Maximum non-recurring commissions and fees borne by the investor and payable to the placing agent

	Entry	Conversion	Exit
Classic	5%	2% (1)	none
Fintro	5%	2% (1)	none
I	5%	2% (1)	none
Life	none	2% (1)	none
X	5%	2% (1)	none
Classic USD	5%	2% (1)	none
Privilege	5%	2% (1)	none

(1) and in the event of conversion to a subfund subject to a higher entry fee, the difference may be charged

Additional information

Currency of expression:
EUR, currency of expression of the subfund
USD, reference currency of the "Classic USD" class

Net Asset Value (NAV):
It is calculated in EUR and in USD every full banking day in Luxembourg, provided a significant proportion (approximately 50%) of the subfund's assets are available for trading the day after the day used as the basis for calculating the preceding NAV. It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors.
In the "Classic USD" class, it is calculated in USD only.

Subscription / conversion / redemption procedures:
In order to be processed at a specific net asset value, requests for subscriptions, conversions and redemptions must be received by local agents or distributors or directly by the transfer agent before 4.00 p.m. in Luxembourg on the day preceding the valuation day.
Requests for subscriptions, conversions and redemptions sent by fax, email or any other method of communication requiring manual processing must reach the transfer agent before noon in Luxembourg on the day preceding the valuation day.
Payment will be in one of the calculation currencies for the shares concerned. Payment will take place within two trading days of the valuation day for the currency of expression in the foreign exchange market.

Promoter:
BNP Paribas S.A., Paris, France

Central administration and management company:
BNP Paribas Investment Partners Luxembourg, Howald-Hesperange, Grand Duchy of Luxembourg

Financial manager:
BNP Paribas Investment Partners

NAV calculation, transfer agent and registrar:
Fastnet Luxembourg S.A., Luxembourg

Custodian bank:
BNP Paribas Securities Services, Luxembourg branch

Statutory auditor:
PricewaterhouseCoopers S.à r.l., Luxembourg

Regulatory authority:
Commission de Surveillance du Secteur Financier, Luxembourg

Stock market quotation:
none

Launch date:
The subfund was launched in the "Classic" class on 17 August 2004.
The "Life" class was launched on 31 October 2006 under the name "L".
The "Fintro" class was launched on 3 September 2007 under the name "M".
The "I" class was launched on 17 August 2004. The first NAV will be set at EUR 100.00 per share.
The "Classic USD" class was launched on 1 September 2010. The first NAV will be set at USD 100.00 per share.
The "Privilege" and "X" classes were launched on 1 September 2010. The first NAVs will be set at EUR 100.00 per share.

History:
the "L" class renamed "Life" on 1 September 2010
the "M" class renamed "Fintro" on 1 September 2010

Tax regime:
Shareholders are recommended to inform themselves about any tax implications associated with their investment in their place of origin, residence or domicile.

Specific information:
The documentation of the local offer of the sicav may offer:
(i) the possibility of subscribing to regular savings schemes; and
(ii) the possibility for investors to appoint a local distributor or paying agent responsible for issuing instructions in his/her name, on behalf of the investors, and for registering as the holder of the shares on behalf of the underlying shareholder (the “apparent owner”), and
(iii) the possibility for local paying agents to charge fees to the investors for their services.

On request, the full prospectus, the annual and semi-annual reports and any other information may be obtained free of charge from:

- the registered office;
- the agents responsible for the financial service;
- the website http://www.bnpparibas-ip.com.