

Notice to the shareholders of

PARWORLD

SICAV under Luxembourg law – UCITS class
10, rue Edward Steichen, L-2540 Luxembourg
Luxembourg Trade and Companies Register No. B 77 384

AND

PARVEST

SICAV under Luxembourg law – UCITS class
Registered Office: 10, Rue Edward Steichen, L-2540 Luxembourg
Luxembourg Trade and Companies Register No. B 33.363

MERGERS

NOTICE TO THE SHAREHOLDERS OF THE MERGING SUB-FUNDS

<u>PARWORLD</u> <u>MERGING SUB-FUND</u>	<u>PARVEST</u> <u>RENAMED AS FROM 30-AUG-2019</u> <u>BNP PARIBAS FUNDS</u> <u>RECEIVING SUB-FUND</u>	<u>EFFECTIVE DATE</u> <u>OF MERGER*</u>	<u>LAST ORDER</u> <u>DATE*</u>	<u>FIRST NAV</u> <u>VALUATION</u> <u>DATE*</u>	<u>FIRST NAV</u> <u>CALCULATION</u> <u>DATE*</u>
<u>ABSOLUTE RETURN EQUITY NEUTRAL</u>	<u>GLOBAL ABSOLUTE RETURN MULTI-FACTOR EQUITY</u>	<u>13-SEP-2019</u>	<u>06-SEPT-2019</u>	<u>13-SEP-2019</u>	<u>16-SEP-2019</u>
<u>EQUITY WORLD DEF1</u>	<u>GLOBAL MULTI-FACTOR EQUITY</u>	<u>11-OCT-2019</u>	<u>04-OCT-2019</u>	<u>11-OCT-2019</u>	<u>14-OCT-2019</u>

*Dates:

- Effective Date of Merger – Date at which the merger is effective and final.
- Last Order Date – Last date at which subscriptions, redemptions and conversions orders are accepted until cut-off time into the Merging Sub-fund. Orders received on the merging sub-fund after this date will be rejected. Shareholders of the Merging sub-fund who do not accept the merger may instruct redemption of their shares free of charge until this date (see item 7).
- First NAV Valuation Date – Date of valuation of the underlying assets for the calculation of the first NAV post-merger.
- First NAV calculation Date – Date at which the first NAV post-merger (with merged portfolios) will be calculated.

Luxembourg, June 28, 2019

Dear Shareholders,

We hereby inform you that the Board of Directors of PARWORLD (the **Company**), decided to **merge**, on the basis of Article 32 of the Company's Articles of Association, the following share classes (the **Mergers**):

⁽¹⁾ renamed **BNP Paribas Funds** as from 30-Aug-2019

PARWORLD Merging Sub-fund				BNP Paribas Funds Receiving Sub-fund			
ISIN code	Sub-fund	Class	Currency	Sub-fund	Class	Currency	ISIN code
LU1260147084	Absolute Return Equity Neutral	Classic-CAP	EUR	Global Absolute Return Multi Factor Equity	Classic-CAP	EUR	LU1956136136
LU1260147167		Classic-DIS	EUR		Classic-DIS	EUR	LU1956136219
LU1260147241		Privilege-CAP	EUR		Privilege-CAP	EUR	LU1956136482
LU1260147324		I-CAP	EUR		I-CAP	EUR	LU1956136649
LU1260147597		X-CAP	EUR		X-CAP	EUR	LU1956136722
LU1325792700	Equity World DEFI	Classic-CAP	USD	Global Multi Factor Equity	Classic-CAP	USD	LU1956136995
LU1325793427		Classic-DIS	USD		Classic-DIS	USD	LU1956137027
LU1325794318		Classic RH EUR-CAP	EUR		Classic RH EUR-CAP	EUR	LU1956137290
LU1325795042		Privilege-CAP	USD		Privilege-CAP	USD	LU1956137456
LU1325795802		Privilege-DIS	USD		Privilege-DIS	USD	LU1956137530
LU1325796446		Privilege RH EUR-CAP	EUR		Privilege RH EUR-CAP	EUR	LU1956137704
LU1325797170		I -CAP	USD		I -CAP	USD	LU1956137886
LU1325798145		I RH EUR-CAP	EUR		I RH EUR-CAP	EUR	LU1956137969
LU1325798731		X-CAP	USD		X-CAP	USD	LU1956138009

1) Background to and rationale for the Mergers

- ✓ In order to have a coherent and consistent fund range offer, and taking into account the **transformation** of the overall PARVEST umbrella to the **ESG criteria**, BNP PARIBAS ASSET MANAGEMENT Luxembourg decides to **rationalise** its funds range by transfer of its **ESG compliant sub-funds** into the new named **BNP Paribas Funds** umbrella.

2) Impact of the Mergers on the Merging Shareholders

Please note the following **impacts** of the Mergers:

- ✓ The shareholders of the Merging Sub-funds, who do not make use of their shares redemption right explained below on point 7), will become shareholders of the Receiving Sub-funds.
- ✓ The **Merging Sub-funds** will be **dissolved** without liquidation by transferring all of their assets and liabilities into the Receiving Sub-funds.
- ✓ The **Merging Sub-funds** will **cease to exist** at the effective date of the merger.

3) Impact of the Mergers on Receiving Shareholders

Please note the following points:

- ✓ The Receiving sub-funds will be activated by these Mergers.
- ✓ **First orders** into the Receiving sub-funds will be accepted at the First NAV Valuation Date mentioned in the initial above calendar table.

4) Organisation of the exchange of shares

You will receive, in the Receiving sub-funds, the same number of shares, in a category and class registered in the same currency as you have in the Merging sub-funds, based on an exchange ratio of one (1) share of the Merging sub-funds for one (1) share of the Receiving sub-funds.

Registered Shareholders will receive registered shares.

Bearer Shareholders will receive bearer shares.

(1) renamed **BNP Paribas Funds** as from 30-Aug-2019

5) Material differences between Merging and Receiving Sub-funds

The differences between the Merging and Receiving Companies are the following:

features	PARWORLD	PARVEST ⁽¹⁾
Financial Year	From 01-Oct to 30-Sept	From 01-Jan to 31-Dec
Annual general Meeting of Shareholders	Third Wednesday of January	25-Apr
Yearly Dividends	Paid end Dec	Paid on 30-Apr

As regards the Sub-funds:

As mentioned on point 1) above, the Receiving PARVEST⁽¹⁾ umbrella will be transformed as of 30 August 2019 to the ESG criteria with the integration of ESG standards in the investment process of each of its sub-fund. However this integration will have no impact on the way the Receiving Sub-fund is currently managed.

There is no difference between the Merging and Receiving sub-funds, except for the following points:

- Investment Policy: in the context of the **ESG integration**, the **following 2 sentences will be added** in the investment policy of the Receiving sub-funds:

“Once the quantitative investment process is implemented, a scoring related to ESG and low carbon is calculated for each individual stocks of the investment universe. The portfolio is then fully rebalanced with the objective to select the best equities available in order to maximize its final average score on these criteria.”

“The Investment Manager applies also BNP PARIBAS ASSET MANAGEMENT’s Sustainable Investment Policy, which takes into account Environmental, Social and Governance (ESG) criteria in the investments of the sub-fund.”

- Performance fees:

Mergers	PARWORLD	PARVEST ⁽¹⁾
Absolute Return Equity Neutral into Global Absolute Return Multi Factor Equity	10% with EONIA	15% with Eonia + 2%

The performance fee calculation will be effected until the last NAV (12 September 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers.

There is no other difference between the Merging and Receiving sub-funds. They have the same characteristics, inter alia:

- Investment Manager
- Investment Objective (except for a clarification in terms of wording)
- Investment Policy
- Investment Strategy
- Fee structure (including management fees)

All the other characteristics are also similar, such as Risk Management Process, Specific Market Risks, Investor Type Profile, Accounting Currency, OCRs, SRRI, NAV Cycle and Valuation Day.

The Mergers will be done in kind.

6) Tax Consequences

These Mergers will have **no Luxembourg tax impact** for you.

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In accordance with the European Directive 2011/16 the Luxembourg authorities will report to the tax authorities in your state of residence the total gross proceeds from the exchange of shares in application of the Mergers.

For more **tax advice or information** on possible tax consequences associated with the Mergers, it is recommended that you **contact your local tax advisor or authority**.

7) Right to redeem the shares

Your options:

- ✓ Should you approve the Mergers, you do **not need** to take any action,
- ✓ Should you not approve the Mergers, you have the possibility to request the redemption of your shares free of charge until the cut-off time, on the dates detailed in the column "Last Order Date" in the above 1st table,
- ✓ In case of **any question**, please contact our **Client Service (+ 352 26 46 31 21 / AMLU.ClientService@bnpparibas.com)**.

8) Other information

- ✓ All expenses related to these Mergers (including Audit costs), will be borne by BNP PARIBAS ASSET MANAGEMENT Luxembourg, the Management Company.
- ✓ The merging operation will be validated by PricewaterhouseCoopers, Société Coopérative, the auditor of the Company.
- ✓ The Annual and Semi-Annual Report and the legal documents of the Company, as well as the KIIDs of the Merging and Receiving sub-funds, and the Custodian and the Auditor reports regarding this operation are available at the Management Company. The KIIDs of the Receiving sub-fund are also available on the website <https://www.bnpparibas-am.com> where shareholders are invited to acquaint with them.
- ✓ The notice will also be communicated to any potential investor before confirmation of subscription.
- ✓ Please refer to the Prospectus of the Company for any term or expression not defined in this notice.

Best regards,

The Boards of Directors

⁽¹⁾ renamed **BNP Paribas Funds** as from 30-Aug-2019