

Notice to the shareholders of

BNP Paribas FLEXI I

SICAV under Luxembourg law – UCITS class
Registered Office: 10, Rue Edward Steichen, L-2540 Luxembourg
Luxembourg Trade and Companies Register No. B 117.580

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-FUND

<u>BNP PARIBAS FLEXI I</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>BOND GOVERNMENT EURO RESTRICTED</u>	<u>EURO HIGH QUALITY GOVERNMENT BOND</u>	<u>22-Nov-2019</u>	<u>15-Nov-2019</u>	<u>22-Nov-2019</u>	<u>25-Nov -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 BNP Paribas Flexi I (the **Company**), decided to **merge**, on the basis of Article 32 of the Company's Articles of Association, the following share classes (the **Merger**):

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

BNP Paribas Flexi I Merging Sub-fund				PARVEST ⁽¹⁾ Receiving Sub-fund			
ISIN code	Sub-fund	Class	Currency	Sub-fund	Class	Currency	ISIN code
LU0540527073	Bond Government Euro Restricted	Classic-CAP	EUR	Euro High Quality Government Bond	Classic-CAP	EUR	LU1956134511
LU0540527073		Classic-CAP Valued in USD	EUR		Classic-CAP Valued in USD	EUR	LU1956134511
LU0540527230		Classic-DIS	EUR		Classic-DIS	EUR	LU1956134602
LU0540527230		Classic-DIS Valued in USD	EUR		Classic-DIS Valued in USD	EUR	LU1956134602
LU0791057838		Privilege-CAP	EUR		Privilege-CAP	EUR	LU1956134867
LU0791057754		Privilege-DIS	EUR		Privilege-DIS	EUR	LU1956134941
LU0538729566		I-CAP	EUR		I-CAP	EUR	LU1956135088
LU0538729566		I-CAP Valued in USD	EUR		I-CAP Valued in USD	EUR	LU1956135088
LU0538729301		X-CAP	EUR		X-CAP	EUR	LU1956135161
LU0538729301		X-CAP Valued in USD	EUR		X-CAP Valued in USD	EUR	LU1956135161

1) Background to and rationale for the Merger

- ✓ In order to have a coherent and consistent fund range offer, and taking into account the transformation of the overall PARVEST(1) 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 Merger on the Merging Shareholders

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

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

3) Impact of the Merger on Receiving Shareholders

Please note the following points:

- ✓ The Receiving sub-fund will be activated by this Merger.
- ✓ **First orders** into the Receiving sub-fund will be accepted as from **Friday November 22, 2019** at the first OTD dated Friday November 22, 2019.

4) Organisation of the exchange of shares

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

Registered Shareholders will receive registered shares.

Bearer Shareholders will receive bearer shares.

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5) Material differences between Merging and Receiving Sub-funds

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

features	BNP Paribas Flexi I	PARVEST ⁽¹⁾
Financial Year	From 01-Jul to 30-Jun	From 01-Jan to 31-Dec
Annual general Meeting of Shareholders	Fourth Monday of October	25-Apr
Yearly Dividends	20-Apr	30-Apr
Auditors	Ernst & Young S.A.	PricewaterhouseCoopers, Société coopérative

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.

In this context, the following wording is added in the investment policy of the Receiving sub-fund, compared to the investment policy of the Merging Sub-fund:

“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”

There is no other difference between both 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 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 Merger will be done in kind.

6) Tax Consequences

This Merger will have **no Luxembourg tax impact** for you.

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 Merger.

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

7) Right to redeem the shares

Your options:

- ✓ Should you approve the Merger, you do **not need** to take any action,
- ✓ Should you not approve the Merger, 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)**.

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8) Other information

- ✓ All expenses related to this Merger (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.

Please note that this notice provides the exhaustive list of the sub-fund and classes concerned by this merger. It may refer to sub-fund and classes not authorised in your country. It does not constitute an invitation to subscribe in the non-authorised Receiving sub-fund and classes. To identify the sub-fund and classes authorised in your country, please check your local BNP Paribas Asset Management website.

Best regards,

The Boards of Directors

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