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

PARVEST
par BNP Paribas Investment Partners

MERGER NOTICE TO SHAREHOLDERS

“Equity BRIC”
Merging sub-fund

“Equity World Emerging”
Receiving sub-fund

Merger effective as of 7 October 2016 (OTD)

The Boards of Directors of PARVEST (the Company) decides, in accordance with the provisions of Article 32 of the Articles of Association of the Company and the Chapter 8 of the Luxembourg Law of 17 December 2010 concerning UCI (the Law), to merge the Merging Sub-fund into the Receiving sub-fund, in accordance with Article 1, point 20), a) of the Law.

Merging PARVEST Sub-fund				Receiving PARVEST Sub-fund			
ISIN code	Sub-fund	Class	Main Currency	Sub-fund	Class	Main Currency	ISIN
LU0230662891	Equity BRIC	Classic-CAP	USD	Equity World Emerging	Classic-CAP	USD	LU0823413587
LU0230662545		Classic-DIS	USD		Classic-DIS	USD	LU0823413660
LU0230662545		Classic-DIS	EUR		Classic EUR-DIS	EUR	LU0823413157
LU0251809926		Classic EUR-CAP	EUR		Classic EUR-CAP	EUR	LU0823413074
LU0230663600		N-CAP	USD		N-CAP	USD	LU0823413827
LU0230663600		N-CAP	EUR		N-CAP	EUR	LU0823413827
LU0230664160		Privilege-CAP	USD		Privilege-CAP	USD	LU0823414049
LU0230664160		Privilege-CAP	EUR		Privilege-CAP	EUR	LU0823414049
LU0230663352		I-CAP	USD		I-CAP	USD	LU0823413744
LU0230663352		I-CAP	EUR		I-CAP	EUR	LU0823413744

1) Effective date of the Merger

The Merger will be effective on Friday 7 October 2016 (Order Trade Date - OTD).

2) Background to and rationale for the Merger

- BRIC strategies are no longer riding high as emerging markets are now driven more by country-specific factors than global trends.
- The Assets of the Merging sub-fund reached a maximum of EUR 633 million in December 2010. The assets currently hit their lowest level since January 2007 with EUR 50 million as at June 2016. The distributors who usually buy emerging equities preferred to allocate their investments in global strategies rather than BRIC which are not sufficiently diversified in terms of countries. As a result, the assets of the Merging sub-fund are expected to fall under this EUR 50 million which is a critical size to manage the sub-fund in terms of costs.

3) Impact of the Merger on Merging Shareholders

- The last subscription and redemption orders in the Merging sub-fund will be accepted until the cut-off time on Friday 30 September 2016. Orders received after these cut-off times will be rejected.
- The shareholders of the Merging sub-fund become shareholders of the Receiving sub-fund.
- As any merger, this operation may involve a risk of performance dilution.
- The Merging sub-fund is dissolved without liquidation by transferring all of its assets and liabilities into the Receiving sub-fund.
  The Merging sub-fund ceases to exist at the effective date of the merger.

4) Impact of the Merger on Receiving Shareholders

- The merger will have no impact for the shareholders of the Receiving sub-fund.

5) Organisation of the exchange of shares

The Merging holders will receive, in the Receiving sub-fund, a number of new shares calculated by multiplying the number of shares they held in the Merging classes by the exchange ratio.

The exchange ratios will be calculated on Friday 7 October 2016 by dividing the net asset value (NAV) per share of the Merging classes by the corresponding NAV per share of the Receiving classes, based on the valuation of the underlying assets set on Thursday 6 October 2016.

At the date of this document, the Receiving classes are active. If it will not the case anymore at the date of the calculation of the exchange ratio, their NAV will be set at 100.00 in its reference currency.

The criteria adopted for valuation of the assets and, where applicable, the liabilities on the date for calculating the exchange ratio will be the same as those used for the NAV calculation as described in the chapter “Net Asset Value” of the Book I of the prospectus of the Company.

Registered shareholders will receive registered shares.

Bearer Shareholders will receive bearer shares.

Since 18 February 2016, physical bearer shares 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.

No balancing cash adjustment will be paid for the fraction of the Receiving share attributed beyond the third decimal.

6) Material differences between Merging and Receiving sub-funds

The differences between the Merging and Receiving sub-funds are the following:

features	“PARVEST Equity BRIC” Merging sub-fund	“PARVEST Equity World Emerging” Receiving sub-fund
Investment objective	Increase the value of its assets over the medium term.	Increase the value of its assets over the medium term.
Investment policy	At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered office or conduct a significant proportion of their business in Brazil, Russia, India, China, Hong Kong and/or Taiwan. The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments and/or cash, and also, within a limit of 15% of the assets, in debt securities of any kind and, within a limit of 10% of the assets, in UCITS or UCIs. Financial derivative instruments may be used both for hedging and trading (investment) purposes. In respect of the above investments limits, the sub-fund’s overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 30% of its assets by investments in “China A-Shares” via the RQFII and/or Stock Connect, debt securities traded on the Chinese Interbank Bond market, and financial derivative instruments on this type of assets.	At all times, this sub-fund invests at least 75% of its assets in equities and/or equity equivalent securities issued by companies that have their registered offices or conduct the majority of their business activities in emerging countries (defined as non OECD countries prior to 1 January 1994 together with Turkey and Greece). The remaining portion, namely a maximum of 25% of its assets, may be invested in any other transferable securities (including P-Notes), money market instruments, financial derivative instruments, or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI. In respect of the above investments limits, the sub-fund’s overall exposure (via both direct and indirect investments) to mainland China securities will not exceed 25% of its assets by investments in “China A-Shares” via the Stock Connect, debt securities traded on the Chinese Interbank Bond market, and financial derivative instruments on this type of assets.
Specific Market Risk	Specific market risks: • Counterparty Risk • Operational & Custody Risk • Emerging Markets Risk • Risk related to investments in some countries Specific risks related to investments in Mainland China • Change in PRC taxation risk • Risks related to RQFII investments • Risks related to Stock Connect	Specific market risks: • Operational & Custody Risk • Emerging Markets Risk • Risk related to investments in some countries Specific risks related to investments in Mainland China • Change in PRC taxation risk • Risks related to Stock Connect
Summary of differences for: • Investment policies • Investment Strategies • Risk	The investments of the “Equity World Emerging” Receiving sub-fund are more diversified and are spread over more 20 countries. Brazil, China, India, and Russia represent only 50% of the assets (15-May-2016 figures) of the Receiving sub-fund and the assets selected by the asset manager for these 4 markets into the Receiving sub-fund are not the same as those in the portfolio of the “Equity BRIC” Merging sub-fund.	

SRRI (6), Risk management process (Commitment Approach), Fee structures, and NAV cycle are the same in both Merging and Receiving sub-funds

7) Tax Consequences

This merger will have no Luxembourg tax impact for Merging shareholders.

The Merging classes are not subject to European capital gain tax in accordance with the European Directive 2011/16.

For more tax advice or information on possible tax consequences associated with this merger, it is recommended that shareholders contact their local tax advisor or authority.

8) Right to redeem the shares

Shareholders of the **Merging and Receiving sub-funds** who do not accept the merger may instruct redemption of their shares free of charge until the cut-off time, on Friday 30 September 2016.

9) Other information

The investment universe of the “Equity BRIC” Merging sub-fund is included in the investment universe of the “Equity World Emerging” Receiving sub-fund.

Nevertheless, it is not in the interest of holders to perform the merger in kind, for the following reasons:

- The local regulation applicable in India does not authorise the transfer free of payment of the underlying securities;
- Settlement delays are significant and may thwart management team decisions;
- An in-kind Merger might push the “Equity World Emerging” Merging sub-fund into violation of US Office of Foreign Asset Control (US OFAC) and EU directives relating to Russia sanctions, as the sub-fund would be acquiring by merger securities that are banned from new acquisition;
- There is negligible overlap of securities held in both Merging and Receiving sub-funds

Therefore, to avoid too big investments dispersal and minimise the risk of performance dilution into the Receiving sub-fund, it is thus better to sell all the securities into the Merging sub-fund and to buy new securities according to the allocation key defined by the asset manager for the Receiving sub- fund.

All expenses related to this merger will be borne by BNP Paribas Investment Partners Luxembourg, the Management Company.

The merging operation will be validated by PricewaterhouseCoopers, Société Coopérative, the auditor of the Company.

The merger ratios will be available on the website www.bnpparibas-ip.com as soon as they are known.

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 with the Management Company. The KIIDs of the Receiving sub-fund are also available on the website www.bnpparibas-ip.com where shareholders are invited to acquaint with them.

This notice will also be communicated to any potential investor before subscription.

Please refer to the Prospectus of the Company for any term or expression not defined in this notice.

Luxembourg, 30 August 2016

The Boards of Directors