Notice to the shareholders of

PARVEST[1]		BNP Paribas FLEXI I
SICAV under Luxembourg law – UCITS class	**AND**	*SICAV under Luxembourg law – UCITS class*
Registered Office: 10, Rue Edward Steichen, L-2540 Luxembourg		*Registered Office: 10, Rue Edward Steichen, L-2540 Luxembourg*
Luxembourg Trade and Companies Register No. B 33.363		*Luxembourg Trade and Companies Register No. B 117.580*

MERGERS
NOTICE TO THE SHAREHOLDERS OF THE MERGING SUB-FUND

***PARVEST* RENAMED AS FROM 30-AUG-2019 *BNP PARIBAS FUNDS* MERGING SUB-FUND**	**BNP PARIBAS FLEXI I *RECEIVING SUB-FUND***	***EFFECTIVE DATE OF MERGER****	***LAST ORDER DATE****	***FIRST NAV VALUATION DATE****	***FIRST NAV CALCULATION DATE****
COMMODITIES	**COMMODITIES**	**15-NOV-2019**	**08-NOV-2019**	**15-NOV-2019**	**18-NOV-2019**

*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 PARVEST[1] (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

PARVEST[1] Merging Sub-fund				BNP Paribas Flexi I Receiving Sub-fund			
ISIN code	**Sub-fund**	**Class**	**Currency**	**Sub-fund**	**Class**	**Currency**	**ISIN code**
LU0823449938	PARVEST[1] Commodities	Classic-CAP	USD	BNP Paribas Flexi I Commodities	Classic-CAP	USD	LU1931956285
LU0823450191		Classic-DIS	USD		Classic-DIS	USD	LU1931956368
LU0823449185		Classic EUR-CAP	EUR		Classic EUR-CAP	EUR	LU1931956442
LU0823449268		Classic EUR-DIS	EUR		Classic EUR-DIS	EUR	LU1931956525
LU0823449854		Classic SGD-CAP	SGD		Classic SGD-CAP	SGD	LU1931956798
LU0823449003		Classic H CHF-CAP	CHF		Classic H CHF-CAP	CHF	LU1931956871
LU0823449342		Classic H CZK-CAP	CZK		Classic H CZK-CAP	CZK	LU1931956954
LU0823449698		Classic H EUR-DIS	EUR		Classic H EUR-DIS	EUR	LU1931957176
LU0823449425		Classic H EUR-CAP	EUR		Classic H EUR-CAP	EUR	LU1931957093
LU0823450514		N-CAP	USD		N-CAP	USD	LU1931957259
LU0823450605		Privilege-CAP	USD		Privilege-CAP	USD	LU1931957333
LU0823450787		Privilege-DIS	USD		Privilege-DIS	USD	LU1931957416
LU0903144755		Privilege H EUR-CAP	EUR		Privilege H EUR-CAP	EUR	LU1931957689
LU0823450357		I-CAP	USD		I-CAP	USD	LU1931957762
LU0823450357		I-CAP Valued in EUR	USD		I-CAP Valued in EUR	USD	LU1931957762
LU0823450431		IH EUR-CAP	EUR		IH EUR-CAP	EUR	LU1931957846
LU0212181894		X -CAP	USD		X -CAP	USD	LU1931957929
LU0212181894		X –CAP Valued in EUR	USD		X –CAP Valued in EUR	USD	LU1931957929

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 eliminating duplicates sub-funds and/or sub-funds too small and/or sub-funds having poor performances and/or sub-funds not compliant with the ESG criteria to other 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 15, 2019** at the first OTD dated Monday November 18, 2019.

[1] renamed **BNP Paribas Funds** as from 30-Aug-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.

5) *Material differences between Merging and Receiving Sub-funds*

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

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

As regards the Sub-funds:

The investment policies of both sub-funds are written in a different manner. However, this is only a formal difference as the portfolios will be the same.

features	PARVEST[(1)] Commodities	BNP Paribas Flexi I Commodities
Investment Policy	The indices in question, on a regulated or over-the-counter market. In particular, the sub-fund can enter into swap agreements (variable or fixed interest rate swap against index performance). Performance swaps on indices provide a long-only position on underlying commodities, and can combine inter alia through long/short positions on indices, sub-indices or baskets of commodities indices as an overlay to the long-only exposure, in order to provide the expected out-performance. Performance sources come from factors such as but not limited to assets weighting decisions in using the aforesaid combinations of indices based on a fundamental and quantitative analysis and maturity positioning by using indices in which the underlying future contract maturities can be further deferred compared to the standard front months. This sub-fund invests at least 2/3 of its assets in bonds or other similar securities, money market instruments, transferable securities linked to prices for commodities of any kind. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, or cash, and up to 10% of its assets may be invested in UCITS or UCIs. The sub-fund does not hold commodities directly. After hedging, the sub-fund's exposure to currencies other than USD will not exceed 5%. ***Derivatives and Securities Financing Transactions***	This sub-fund can be exposed to any index representing commodities, combining all sectors that comply with the European Directive 2007/16/CEE excluding agriculture and livestock. The exposure to indices is obtained by using a synthetic replication method. To do so, the sub-fund invests in financial derivative instruments described below on the aforementioned indices, on a regulated or over-the-counter market. In particular, the sub-fund can enter into TRS** which comply with ESMA guidelines. TRS** (such as performance swaps on indices) provides a long-only position on underlying commodities, and can be combined inter alia with long/short positions on indices, sub-indices or baskets of commodities indices as an overlay to the long-only exposure, in order to provide the expected out-performance. Performance sources come from factors such as but not limited to assets weighting decisions in using the aforesaid combinations of indices based on a model-driven analysis and maturity positioning by using indices in which the underlying future contract maturities can be further deferred compared to the standard front months. This sub-fund invests at least 2/3 of its assets in bonds or other similar securities, money market instruments, transferable securities linked to prices for commodities of any kind.

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	Core financial derivative instruments, and TRS*, may be used for efficient portfolio management and hedging as described in points 2 and 3 of Appendix 2 of Book I. Repurchase transactions and Reverse Repurchase 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 rebalancing of the indices, which corresponds to technical adjustments based upon systematic algorithms, can be as much as daily. The financial indices methodology may embed certain costs in the Strategy which cover amongst other things replication costs in running the index which may vary over time in line with prevailing market conditions. Investors are invited to consult the following webpage https://www.bloomberg.com/professional/product/indices/ to obtain a list of financial indices to which the Sub-fund is exposed. Links to the complete breakdown of the indices, performance information and calculation methodology are available on the same page.* Leverage details: a) The expected leverage, estimated at 1, is defined as the sum of the absolute values of the derivatives notionals (with neither netting nor hedging arrangement) divided by NAV. A higher leverage level (notionals methodology) could be reached during the life of the sub-fund regarding its investment strategy. b) The use of financial derivative instruments on commodities indices of any kind aims to equal one time the NAV on a regular basis. The use of aforesaid combination of indices/sub-indices may appear like a synthetic leverage effect by considering the underlying notional accumulation, when considering a calculation methodology that sums absolute values of swaps nominal. In practice, the sub-fund holders should understand that the long/short positions on indices intend to deliver a market neutral overlay position in addition to the main long only exposure, and not to expand a directional leverage. This exposure is increased or decreased in accordance with the level of risk budgetedin the best interest of the shareholders. c) Higher leverage: Greater than 1 leverage could be obtained through arbitrage (non directional) strategies whose additional risk remains low for the sub-fund; under certain circumstances, when the sub-fund via a performance swap on index that takes a long position equal to 5 times an index and a short position equal to 5 times another index, a higher leverage could be reached; additional risk contribution may also come from Exchange Trade Commodities that can be traded to get exposure to indices and strategies and then may come from ETCs that have the same impact on the leverage as performance swaps. d) Risk Management: as required by the local regulator, a risk management process supervises this investment strategy through a daily VaR (99%; 1-month) monitoring completed by monthly back test and stress tests. e) Leverage Risk warning: leverage may under certain circumstances generate	The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, or cash, and up to 10% of its assets may be invested in UCITS or UCIs. The sub-fund does not hold commodities directly. After hedging, the sub-fund's exposure to currencies other than USD will not exceed 5%. ***<u>Derivatives and Securities Financing Transactions</u>*** Core financial derivative instruments and TRS** may be used for efficient portfolio management and hedging as described in points 2 and 3 of Appendix 2 of Book I. Repurchase transactions and Reverse Repurchase transactions may be 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 rebalancing of the indices, which corresponds to technical adjustments based upon systematic algorithms, can be as much as daily. The financial indices methodology may embed certain costs in the strategy which cover amongst other things replication costs in running the index which may vary over time in line with prevailing market conditions. As an example of underlying index used for TRS, the sub-fund can use Bloomberg Commodity ex-Agriculture and Livestock Capped but other indices can also be used to create exposure to commodities. The rebalancing of the Bloomberg Commodity ex-Agriculture and Livestock Capped index (each month) does not involve any cost for the sub-fund. Investors are invited to consult the following webpage https://docfinder.bnpparibas-am.com/api/files/BCF9607E-2489-4E48-8EEC-24BFCA35F286 to obtain a list of financial indices to which the Sub-fund can be exposed. Links to the complete breakdown of the indices, performance information and calculation methodology including rebalancing frequency are available on the same page. The rebalancing within the indices the sub-fund is exposed to, as at the date of this prospectus, does not involve any cost for the sub-fund.*

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	an opportunity for higher return and therefore more important income but at the same time, it may increase the volatility of the sub-fund and therefore the risk to lose capital.	

Apart from this formal point, 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)**.

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.

Best regards,

The Boards of Directors

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