Notice to the shareholders of

PARVEST		BNP Paribas L1
SICAV under Luxembourg law – UCITS class		*SICAV under Luxembourg law – UCITS class*
Registered Office: 10, rue Edward Steichen, L-2540 Luxembourg	**AND**	*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 32.327*
Website: www.bnpparibas-am.com		*Website: www.bnpparibas-am.com*
FOR THE THE SUB-FUND « STEP 90 EURO »		**FOR THE SUB-FUND « SEASONS »**

MERGER EFFECTIVE AS OF DECEMBER 17, 2018

Luxembourg, October 01th , 2018

Dear Shareholders,

We hereby inform you that the Boards of Directors of both PARVEST and BNP Paribas L1 (the **Companies**), decided to **merge**, on the basis of Article 32 of the Companies's Articles of Association, the following share classes (the **Merger**):

PARVEST Merging Sub-fund				BNP Paribas L1 Receiving Sub-fund			
ISIN code	Sub-fund	Class	Currency	Sub-fund	Class	Currency	ISIN code
LU0154361405	STEP 90 Euro	Classic-CAP	EUR	Seasons	Classic-CAP	EUR	LU1655321476

1) *Effective date of the Merger*

The Merger will be effective on **Monday December 17, 2018**.

The first NAV with merged portfolios will be calculated on Tuesday December 18, 2018 into the Receiving Sub-fund and class, on the valuation of the underlying assets set on Monday December 17, 2018.

2) *Background to and rationale for the Merger*

- ✓ The guarantee offered in the Merging Sub-fund expires on December 15, 2018 and will not be renewed as described in the presentation of the Merging Sub-fund on pages 263-264 of the current version of the Prospectus of PARVEST. As this date is Saturday, the last NAV protected by the guarantor will be the NAV dated Friday December 14, 2018.
- ✓ The Merger has for objective to supply offer with guaranteed product and with better perspectives of performances.
- ✓ The Merging Sub-fund has been launched in a high interest rate environment which no longer exists. As a consequence, the level of available margin (1) may not be sufficient to generate performance which is consistent with the market.
- ✓ As of today, the investment strategy of the Receiving Sub-fund would better suit the current market conditions: a lower level of guarantee would allow for more available margin (1) to generate significant performance in the Receiving Sub-fund in case of significant market increase.

(1) The capital invested once the Guarantee constraints have been taken into consideration (also described as the "risky asset")

Warning:

- ✓ **Past results are not an indicator or guarantee of future results.**
- ✓ **There is no guarantee that this objective will be achieved.**

3) *Impact of the Merges on the Merging Shareholders*

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

- ✓ The **last** subscription and redemption **orders** in the Merging Sub-fund will be accepted until the cut-off time on **Friday December 7, 2018**.

  Orders received after these cut-off times will be rejected.
- ✓ The shareholders of the Merging Sub-fund, who will not make use of their redemption right explained below under point 8), will **become** shareholders of the Receiving Sub-fund.
- ✓ The **Merging** Sub-fund will be **dissolved** without liquidation by a transfer of all of its assets and liabilities into the Receiving Sub-fund.
- ✓ The Merging Sub-fund will c**ease to exist** at the effective date of the merger.
- ✓ The investment strategy of the Receiving sub-fund is not the same as the one of the Merging sub-fund as explained on points 2) for the rationale of the Merger and 6) for the differences between both sub-funds. Consequently, the underlying assets of the Merging sub-fund which are not in line with the investment strategy of the receiving Sub-fund shall be sold several days (in principle two business open days) before the Merger depending on the market conditions and in the best interest of the shareholders. The transaction costs associated with this rebalancing will be borne by BNP PARIBAS ASSET MANAGEMENT Luxembourg, the Management Company of both Merging and Receiving sub-funds (the Management Company).
- ✓ As any merger, this operation may involve a risk of performance dilution for the Merging shareholders, especially as consequence of the difference of strategy (explained under point 6).
- ✓ The SRRI levels of both the Merging and the Receiving sub-funds depend on the volatility of such vehicles. Due to the possible investment of the Receiving sub-fund in risky assets through derivatives, the volatility of the Receiving sub-fund is more important than the one of the Merging sub-fund. As a consequence, the SRRI of the Receiving sub-fund is higher.

4) *Impact of the Merger on Receiving Shareholders*

Please note the following points:

- ✓ The merger will have **no impact** for the shareholders of the Receiving Sub-fund.

5) *Organisation of the exchange of shares*

If you are shareholder of the "**PARVEST STEP 90 Euro**" Merging Sub-fund, you will receive, in the Receiving Sub-fund, a **number of new shares** calculated by multiplying the number of shares they held in the Merging Sub-fund by the **exchange ratio**.

The **exchange ratio** will be **calculated** on Monday December 17, 2018 by dividing the net asset value (NAV) per share of the Merging class by the NAV per share of the Receiving class, based on the valuation of the underlying assets set on Friday December 14, 2018.

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.

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	*"STEP 90 Euro" Sub-fund of PARVEST*	*"Seasons" Sub-fund of BNP Paribas L1*
Investment objective	The sub-fund investment objective is first to increase the value of its assets over the medium term through participation in the performance of the European equity markets and, second, to minimize the risk of a decrease in the sub-fund's net asset value. In order to meet the fund's investment objective, the sub-fund will be managed under insurance portfolio techniques that aim to adjust the "risky asset" and "no risky asset" exposure subject to the available margin once parameters of protection and the fund manager market' anticipations have been taken into account.	The sub-fund investment objective is first to increase the value of its assets over the medium term through participation in the performance of the Eurozone equity markets and, second, to minimize the risk of a decrease in the sub-fund's net asset value. The sub-fund will be managed under portfolio insurance techniques that aim to adjust a "low risk asset" and a "risky asset" exposure, taking into consideration capital protection constraints and market anticipations from the portfolio manager.

Investment policy	In order to achieve this objective it will invest at least 2/3 of its assets: - In UCITS or UCIs, equities and/or securities treated as equivalent to equities and/or swaps. Moreover, the “risky asset” exposure can be done through financial instruments such as options, futures or forward contracts linked to the European equity markets representative indices which comply with the European directive 2007/16. In any event, use of financial derivative instruments (including TRS) should not result in any leverage effect as the maximum commitment resulting from these instruments and contracts will never exceed the sub-fund’s net asset value. - “no risky asset” such as fixed-rate securities and/or money market instruments and/or securities treated as equivalent to bonds denominated in the fund’s currency and also in financial derivative instruments (including TRS (75% as expected leverage)) on this type of asset, with a maturity equal and/or less than one year. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferable securities, money market instruments, financial derivative instruments (including TRS) and/or cash, and also in UCITS or UCIs. Investments in debt securities of any kind do not exceed 25% of the assets and investments in UCITS or UCIs do not exceed 10% of the assets. Investments made in currencies other than the Accounting Currency of the sub-fund will be hedged against the currency risk to the extent possible, in accordance with the special rules and restrictions governing the investments mentioned in the prospectus.	The sub-fund is first invested into “low risk asset” to support the NAV protection level defined as the Guaranteed NAV described below. It consists in an investment in a portfolio of equity securities (between 90-100% of the “low risk asset”) the performance of which is swapped against a monetary rate performance (Euribor 3 months*) through the use of TRS (50% as expected leverage), and in UCITS or UCIs. The part of the portfolio available once the NAV protection parameters have been taken into account is invested into “risky asset” to support the performance. It provides exposure to the Eurozone equity markets through a dynamic call options and /or future trading strategy and through UCITS or UCIs. At least, 75% of the assets of the sub-fund will be invested at all times in equities issued by companies that have their registered office in a member country of the European Economic Area, other than non-cooperative countries in the fight against fraud and tax evasion. Investments in UCITS or UCIs do not exceed 10% of the assets of the sub-fund. * Information relating to this benchmark is available on the website www. emmi-benchmarks.eu
Guarantee	Until December 15, 2018: The manager will revise the Applicable Threshold on the following dates (the "Revision Dates"): - on the anniversary date of the guarantee, i.e. on 16 December each year, the Applicable Threshold will be replaced by a new Threshold equal to 90% of the net asset value determined on 16 December or on the preceding bank business day (if 16 December is not a bank business day). The new Threshold will come into effect on the first bank business day after the anniversary date of the guarantee. The new Threshold may be lower or higher than the initial threshold or the previously fixed threshold; - whenever the net asset value rises by 10% compared with the net asset value on the basis of which the Applicable Threshold was determined, the Applicable Threshold will be replaced by a new threshold which will come into effect on the Revision Date and which is equal to 90% of the net asset value at that date. The Threshold may be revised downwards only on the anniversary date of the guarantee. The manager will inform the Guarantor of any revision of the Applicable Threshold. Pursuant to the terms of the agreement with the Guarantor, the shareholders who ask for the redemption of their shares will see their redemption orders based on a redemption price at least equal to an applicable threshold (the "Applicable Threshold").	For each quarter (each season), the NAV of the share class is at least equal to 80% of the NAV (excluding dividends, the case being) of that same share class (the “Guaranteed NAV”) observed 12 months ago which qualifies as an observation date (the "Observation Date”), provided that the share class is effectively launched 12 months ago at this Observation Date or before. With regards to the guarantee, each 3rd Friday of March (Spring), June (Summer), September (Autumn) and December (Winter) is named an Observation Date. The first Observation Date is the 15 December 2017 (Winter 2017). As a consequence, the first Guaranteed NAV will be the NAV dated as of the Observation Date on 21 December 2018 (Winter 2018) and will be at least equal to 80% of the NAV dated 15 December 2017 (Winter 2017). **Shareholders who ask for the redemption of their shares on any Observation date, starting from 21 December 2018, will see their redemption orders based on a redemption price at least equal to 80% of the NAV of the share they are redeeming from (the Guaranteed NAV) observed on the 3rd Friday of the same month 12 months ago (the Observation date).**

	If the Applicable Threshold is greater than the net asset value, any shareholder of the sub-fund requesting the redemption of its shares will be eligible to the Guarantee. In such case, the Management Company and/or the manager of the sub-fund will activate the Guarantee, in accordance with the procedures provided for in the Guarantee Agreement. Moreover, subscription and conversion orders will be suspended and will resume once the net asset value exceeds or equals the Applicable Threshold during two consecutive valuation days. No Guarantee anymore as from December 16, 2018	
Specific Market Risk	• Credit Risk • Liquidity Risk • Counterparty Risk • Derivatives Risk	• Liquidity Risk • Counterparty Risk • Derivatives Risk
Investor Type Profile	These sub-funde are suitable for investors who want to minimise the risk of a decrease in the sub-fund's net asset value.	
SRRI	4	5
Summary of differences for: • Investment policies • Investment Strategy • Asset Allocation • Guarantee	✓ <u>Risky Asset</u>: exposure to the European Equity Markets for the Merging Sub-fund; to the Eurozone Equity Market for the Receiving Sub-fund ✓ <u>No Risky Asset</u>: exposure on fixed income and/or money market instruments for the Merging Ssub-fund; Direct investments in European Equities for the Receiving Sub-fund ✓ <u>Guarantee</u>: 90% of the Reference NAV*, into the Merging Sub-fund until December 15, 2018, but none as from December 16, 2018; 80% of the Reference NAV** into the Receiving Sub-fund * Applicable Threshold as described in the presentation of the Merging Sub-fund on page 263 of the current version of the Prospectus of PARVEST ** Guaranteed NAV as described in the presentation of the Receiving Sub-fund on page 95 of the current version of the Prospectus of BNP Paribas L1 Reviewed each year into the Merging Sub-fund; Each quarter into the Receiving Sub-fund Paid directly to the shareholders who redeem their shares into the Merging Sub-fund; Paid to the sub-fund at the revision date into the Receiving Sub-fund Benefit to all redemption shares into the Merging Sub-fund; benefit only on redemption made on the 4 Observation Dates into the Receiving Sub-fund. ✓ <u>For example</u>: Let's assume that the merger is done on the NAV dated 19-Jun-2018 (or, equivalently, that a shareholder redeems its position in the Merging Sub-fund and subscribe without any fees into the Receiving Sub-fund). The NAV of the Merging Sub-fund = 106.05€ and benefit of a guaranteed NAV at 97.03€ until 14-Dec-2018. The Receiving Sub-fund is valued at 97.52€ and benefits from 3 guaranteed level: 80.25€ on 21-Dec-2018; 79.91€ on 15-Mar-2018 and 79.17 on 21-Jun-2019. The conversion ratio would be 106.05/97.52 = 1.087469 share of The Receiving Sub-fund for 1 share of the Merging Sub-fund. We can "rescale" on the paper the guarantees of the Receiving Sub-fund to be comparable to the current guarantee of The Merging Sub-fund: We would have a NAV of 106.05€, previously guaranteed at 97.03€ being guaranteed at 87.27€ on 21-Dec-2018; 83.64€ on 15-Mar-2018 and 86.09€ on 21-Jun-2019.	
OCR including • Management Fee • Other Fee	1.91% (19-Feb-2018) Maximum 1.50% Maximum 0.35%	1.25% (19-Feb-2018) Maximum 1.00% Maximum 0.12%

Risk management process (Commitment Approach), and NAV cycle are the same in both Merging and Receiving Sub-funds.

7) *Tax Consequences*

These 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**.

8) *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 **Monday December 10, 2018**,

  For the shareholders of the Merging Sub-fund who instruct the redemption of their shares, the redemption price, as any other day, will not be less than the Applicable Threshold as described in the presentation of the Merging Sub-fund on pages 263-264 of the current version of the Prospectus of PARVEST.

- ✓ In case of **any question**, please contact our **Client Service (+ 352 26 46 31 21 / AMLU.ClientService@bnpparibas.com)**.

9) *Other information*

All expenses related to this merger, including Audit and transaction costs, will be borne by BNP PARIBAS ASSET MANAGEMENT Luxembourg, the Management Company of both Companies.

The merger operation will be validated by PricewaterhouseCoopers, Société Coopérative, the auditor of both Companies.

The merger ratios will be available on the website www.bnpparibas-am.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 KIID of the Receiving Sub-fund is also available on the website www.bnpparibas-am.com where you are invited to acquaint with it.

This 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