



**BNP PARIBAS**  
ASSET MANAGEMENT

# **BNP PARIBAS INSTICASH**

*An open-ended investment company  
incorporated under Luxembourg Law*

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**Prospectus**

**MAY 2018**

## **INFORMATION REQUESTS**

BNP Paribas InstiCash  
10, rue Edward Steichen,  
L-2540 Luxembourg  
Grand Duchy of Luxembourg

## **NOTICE**

This Prospectus may not be used for the purpose of an offer or solicitation to sell in any country or any circumstance in which such an offer or entreaty is not authorised.

The Company is approved as an Undertaking for Collective Investment in Transferable Securities (UCITS) in Luxembourg. It is specifically authorised to market its shares in Luxembourg, Austria, Chile, Cyprus, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Jersey, the Netherlands, Peru, Singapore, Spain, Switzerland, and the United-Kingdom. Not all the sub-funds, categories, or classes of shares are necessarily registered in these countries. It is vital that before subscribing, potential investors ensure that they are informed about the sub-funds, categories, or classes of shares that are authorised to be marketed in their country of residence and the constraints applicable in each of these countries.

In particular, the Company's shares have not been registered in accordance with any legal or regulatory provisions in the United States of America. Consequently, this document may not be introduced, transmitted or distributed in that country, or its territories or possessions, or sent to its residents, nationals, or any other companies, associations, employee benefit plans or entities whose assets constitute employee benefit plan assets whether or not subject to the United States Employee Retirement Income Securities Act of 1974, as amended (collectively, "Benefit Plans"), or entities incorporated in or governed by the laws of that country. Furthermore, the Company's shares may not be offered or sold to such persons.

In addition, no one may issue any information other than that presented in the Prospectus or the documents mentioned in it, which may be consulted by the public. The Company's Board of Directors vouches for the accuracy of the information contained in the Prospectus on the date of publication.

Lastly, the Prospectus may be updated to take account of additional or closed sub-funds or any significant changes to the Company's structure and operating methods. Therefore, subscribers are recommended to request any more recent documents as mentioned below under "Information for Shareholders". Subscribers are also recommended to seek advice on the laws and regulations (such as those relating to taxation and exchange control) applicable to the subscription, purchase, holding and redemption of shares in their country of origin, residence or domicile.

The Prospectus is only valid if accompanied by the latest audited annual report as well as the latest interim report if the latter is more recent than the annual report.

If there is any inconsistency or ambiguity regarding the meaning of a word or sentence in any translation of the Prospectus, the English version shall prevail.

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An information section is available relating to each particular sub-fund. It specifies each sub-fund's investment policy and objective, the features of the shares, their accounting currency, valuation day, methods of subscription, redemption and/or conversion, applicable fees and costs, and, if applicable, the history and other specific characteristics of the sub-fund in question. Investors are reminded that, unless otherwise stated in Book II, the general regulations stipulated in Book I of the Prospectus will apply to each sub-fund.

**For the following sub-fund of BNP Paribas InstiCash no notification for distribution in the Federal Republic of Germany was submitted and shares in this sub-fund may NOT be offered to investors within the scope of the German investment law. As a consequence, the following sub-fund is NOT available to investors in Germany:**

#### **BNP PARIBAS INSTICASH GBP**

BNP PARIBAS ASSET MANAGEMENT Belgium, Zweigniederlassung Deutschland, Europa-Allee 12, 60327 Frankfurt am Main, has undertaken the function of Information Agent in the Federal Republic of Germany (hereinafter the "German Information Agent").

Applications for the redemptions and conversion of shares may be sent to BNP Paribas Securities Services, Luxembourg Branch, 60, Avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg (hereinafter "the Paying Agent").

All payments to investors, including redemption proceeds and potential distributions may, upon request, be paid through the Paying Agent.

The prospectus, the key investor information documents, the articles of association of the company and the annual and semi-annual reports may be obtained, free of charge, in hardcopy form at the office of the German Information Agent during normal opening hours.

Issue, redemption and conversion prices of shares and any other information to the shareholders are also available, free of charge, from the German Information Agent.

No units of EU UCITS will be issued as printed individual certificates.

The issue, redemption and conversion prices of shares are published on [www.bnpparibas-am.de](http://www.bnpparibas-am.de) and any other information to the shareholders will be published in Germany in the Federal Gazette ("[www.bundesanzeiger.de](http://www.bundesanzeiger.de)"), except convening notices to General Meeting available via the website.

In addition, communications to investors in the Federal Republic of Germany will be by means of a durable medium (section 167 of the Investment Code) in the following cases:

- suspension of the redemption of the units,
- termination of the management of the fund or its liquidation,
- any amendments to the company rules which are inconstant with the previous investment principles, which affect material investor rights or which relate to remuneration and reimbursement of expenses that may be paid or made out of the asset pool,
- merger of the fund with one or more other funds and
- the change of the fund into a feeder fund or the modification of a master fund.

# BOOK I

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## GENERAL INFORMATION

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### REGISTERED OFFICE

BNP Paribas InstiCash  
10, rue Edward Steichen,  
L-2540 Luxembourg  
Grand Duchy of Luxembourg

### THE COMPANY'S BOARD OF DIRECTORS

#### Members

Mr Marc FLEURY, co-Head of Liquidity Solutions, BNP PARIBAS ASSET MANAGEMENT UK Ltd., London  
Mr. Pierre GRANIE, Head of Europe Domestic Markets Institutional Sales, BNP PARIBAS ASSET MANAGEMENT France, Paris  
Mr. Philippe RENAUDIN, Head of Money Market team, BNP PARIBAS ASSET MANAGEMENT France, Paris  
Mr. Christian VOLLE, Chairman of the "Fondation pour l'Art et la Recherche" Paris, France

#### Company Secretary (non-member of the Board)

Ms. Claire COLLET-LAMBERT, Head of Fund Legal, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg

### MANAGEMENT COMPANY

BNP PARIBAS ASSET MANAGEMENT Luxembourg  
10, rue Edward Steichen,  
L-2540 Luxembourg  
Grand Duchy of Luxembourg

BNP PARIBAS ASSET MANAGEMENT Luxembourg is a Management Company as defined by Chapter 15 of the Luxembourg Law of 17 December 2010 concerning undertakings for collective investment.

The Management Company performs the administration, portfolio management and marketing duties.

### THE MANAGEMENT COMPANY'S BOARD OF DIRECTORS

#### Chairman

Mr Fabrice SILBERZAN, Deputy Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT France, Paris

#### Members

Mrs Sylvie BAIJOT, Deputy Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg  
Mr. Stéphane BRUNET, Chief Executive Officer, BNP PARIBAS ASSET MANAGEMENT Luxembourg, Luxembourg  
Mr. Georges ENGEL, Independent Director, Vincennes, France

### NAV CALCULATION

BNP Paribas Securities Services- Luxembourg branch  
60 avenue J.F Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

### TRANSFER AND REGISTRAR AGENT

BNP Paribas Securities Services, Luxembourg Branch  
60 avenue J.F. Kennedy  
L-1885 Luxembourg  
Grand Duchy of Luxembourg

### DEPOSITORY

BNP Paribas Securities Services, Luxembourg Branch  
60 avenue J.F. Kennedy  
L-1885 Luxembourg  
Grand Duchy of Luxembourg

### INVESTMENT MANAGERS

#### BNP Paribas Group management entities:

- **BNP PARIBAS ASSET MANAGEMENT France**  
1, boulevard Haussmann, F-75009 Paris, France  
A French company, incorporated on 28 July 1980.

**AUDITOR**

PricewaterhouseCoopers Société Coopérative  
2 rue Gerhard Mercator  
B.P. 1443  
L-2182 Luxembourg  
Grand Duchy of Luxembourg

**ARTICLES OF ASSOCIATION**

The Company was incorporated on 30 June 1998 and a notice was published in the *Mémorial, Recueil Spécial des Sociétés et Associations* (the *Mémorial*).

The Articles of Association have been modified at various times, most recently at the Extraordinary General Meeting held on 22 April 2016, and are currently effective as at 25 April 2016. They have been published in the *Mémorial* on 13 July 2016.

The latest version of the Articles of Association has been filed with the Trade and Companies Registrar of Luxembourg, where any interested party may consult it and obtain a copy (website [www.rcsl.lu](http://www.rcsl.lu)).

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## TERMINOLOGY

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For purposes of this document, the following terms shall have the following meanings. The below terminology is a generic list of terms. Some of them may therefore not be used in the present document:

<b><u>Accounting Currency:</u></b>	Currency in which the assets of a sub-fund are stated for accounting purposes, which may be different of the share category valuation currency.
<b><u>Active Trading:</u></b>	Subscription, conversion, or redemption in the same sub-fund over a short period of time and involving substantial amounts, usually with the aim of making a quick profit. This activity is prejudicial to other shareholders as it affects the sub-fund's performance and disrupts management of the assets.
<b><u>Authorised Investors:</u></b>	Investors specially approved by the board of directors of the Company.
<b><u>Certificate of Deposit (CD):</u></b>	Negotiable debt security issued by a bank or financial institution for maturities ranging from 1 day to 1 year.
<b><u>Circular 08/356:</u></b>	Circular issued by the CSSF on 4 June 2008 concerning the rules applicable to undertakings for collective investment when they utilise certain techniques and instruments based on transferable securities and money market instruments. This document is available on the CSSF website ( <a href="http://www.cssf.lu">www.cssf.lu</a> ).
<b><u>Circular 11/512:</u></b>	Circular issued by the CSSF on 30 May 2011 concerning: a) The presentation of the main regulatory changes in risk management following the publication of the CSSF Regulation 10-4 and ESMA clarifications; b) Further clarification from the CSSF on risk management rules; c) Definition of the content and format of the risk management process to be communicated to the CSSF. This document is available on the CSSF website ( <a href="http://www.cssf.lu">www.cssf.lu</a> ).
<b><u>Circular 14/592:</u></b>	Circular issued by the CSSF on 30 September 2014 concerning ESMA guidelines on ETF and other UCITS issues. This document is available on the CSSF website ( <a href="http://www.cssf.lu">www.cssf.lu</a> ).
<b><u>Commercial paper (CP):</u></b>	Negotiable debt security issued by a non-financial institution for maturities ranging from 1 day to 1 year.
<b><u>Commodity ETPs:</u></b>	refer to all exchange traded products tracking commodity returns. They do not include ETPs tracking the equity of companies involved in the commodity industry.
<b><u>Company Name:</u></b>	BNP Paribas InstiCash
<b><u>CSSF:</u></b>	<i>Commission de Surveillance du Secteur Financier</i> , the regulatory authority for UCI in the Grand Duchy of Luxembourg.
<b><u>Currencies:</u></b>	
	<b><u>EUR:</u></b> Euro
	<b><u>GBP:</u></b> British Pound
	<b><u>USD:</u></b> United States Dollar
<b><u>Directive 78/660:</u></b>	European Council Directive 78/660/EEC of 25 July 1978 concerning the annual accounts of certain forms of companies, as amended.
<b><u>Directive 83/349:</u></b>	European Council Directive 83/349/EEC of 13 June 1983 concerning consolidated accounts, as amended.
<b><u>Directive 2004/39:</u></b>	<b>MiFID:</b> European Council Directive 2004/39/EC of 21 April 2004 on markets in financial instruments.
<b><u>Directive 2006/48:</u></b>	European Council Directive 2006/48/EC of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions.
<b><u>Directive 2009/65:</u></b>	European Council Directive 2009/65/EC of 13 July 2009 regarding the coordination of legislative, regulatory and administrative provisions concerning undertakings for collective investment in transferable securities (UCITS IV) as amended by the Directive 2014/91
<b><u>Directive 2011/16:</u></b>	European Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation as amended by the Directive 2014/107.
<b><u>Directive 2014/91:</u></b>	European Parliament and of the Council Directive 2014/91/EU on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions (UCITS V) amending the Directive 2009/65
<b><u>Directive 2014/107:</u></b>	European Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16 as regards mandatory automatic exchange information in the field of taxation
<b><u>Distribution Fee:</u></b>	Fee calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class, paid to the Management Company and serving to cover remuneration of the distributors, supplemental to the share of the management fee that they receive.
<b><u>EEA:</u></b>	European Economic Area



<b><u>EMTN:</u></b>	<b>Euro Medium Term Notes:</b> Medium-term debt securities characterised by their high level of flexibility for both the issuer (corporate issuers and public bodies) and the investor. EMTN are issued according to an EMTN programme, which means that use of debt funding can be staggered and the amounts involved varied. The arranger of the issue will not necessarily underwrite it, which means that the issuer cannot be certain of raising the full amount envisaged (it is therefore in the issuer's interest to have a good credit rating).
<b><u>ESMA:</u></b>	European Securities and Markets Authority
<b><u>ESMA/2011/112:</u></b>	Guidelines to competent authorities and UCITS management companies on risk measurement and the calculation of global exposure for certain types of structured UCITS issued by the ESMA on April 14, 2011. This document is available on the ESMA website ( <a href="http://www.esma.europa.eu">www.esma.europa.eu</a> ).
<b><u>ETC:</u></b>	<b>Exchange Traded Commodities:</b> Trade and settle like ETFs but are structured as debt instruments. They track both broad and single commodity indices. ETC either physically hold the underlying commodity (e.g. physical gold) or get their exposure through fully collateralised swaps.
<b><u>ETF:</u></b>	<b>Exchange Traded Funds:</b> Exchange traded products that are structured and regulated as mutual funds or collective investment schemes: <ul style="list-style-type: none"> <li>- <b>United States:</b> ETFs are registered under the Investment Company Act of 1940. Currently, US ETFs rely on physical delivery of the underlying assets for the creation and redemption of securities;</li> <li>- <b>European Union:</b> Most ETFs are UCITS compliant collective investment schemes. UCITS funds are not allowed to invest in physical commodities but they are able to use synthetic index replication to obtain exposure to broad commodity indices that satisfy the relevant diversification requirements;</li> <li>- <b>Other jurisdictions:</b> Such as Switzerland, permit ETFs to use physical or synthetic replication to obtain commodities exposure without diversification restrictions.</li> </ul>
<b><u>ETN:</u></b>	<b>Exchange Traded Notes:</b> are similar to ETCs except that they are not collateralised, which means that an investor in an ETN will be fully exposed to issuer credit risk. <ul style="list-style-type: none"> <li>- <b>United States:</b> Publish NAV, AUM or Shares Outstanding information on a daily basis</li> <li>- <b>Europe:</b> Are not required to and often do not publicly report NAV, AUM or Share Outstanding information on a regular basis.</li> </ul>
<b><u>Euro Commercial Paper (ECP):</u></b>	Specific commercial paper negotiated on the London market (fixed rates only). It can be issued by both financial and non-financial institutions.
<b><u>Indirect Fee:</u></b>	Ongoing charges incurred in underlying UCITS and/or UCIs the Company is invested in and included in the Ongoing Charges mentioned in the KIID.
<b><u>Institutional Investors:</u></b>	Legal entities who hold their own account or hold an account on behalf of physical persons in connection with a group savings scheme or an equivalent scheme and UCI. Portfolio managers subscribing within the scope of discretionary individual portfolios management mandates are not included in this category ("Managers").
<b><u>IRS:</u></b>	Interest Rate Swap
<b><u>KIID:</u></b>	Key Investor Information Document
<b><u>Law:</u></b>	Luxembourg law of 17 December 2010 concerning undertakings for collective investment. This law implements Directive 2009/65/EC (UCITS IV) of 13 July 2009 into Luxembourg law.
<b><u>Law of 10 August 1915:</u></b>	Luxembourg law of 10 August 1915 on commercial companies, as amended.
<b><u>Management Fee:</u></b>	Fee calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class, paid to the Management Company and serving to cover remuneration of the asset managers and also distributors in connection with the marketing of the Company's stock.
<b><u>Managers:</u></b>	Portfolio managers subscribing within the scope of discretionary individual portfolios management mandates.
<b><u>Market Timing:</u></b>	Arbitrage technique whereby an investor systematically subscribes and redeems or converts units or shares in a single UCITS within a short space of time by taking advantage of time differences and/or imperfections or deficiencies in the system of determining the NAV of the UCITS. This technique is not authorised by the Company.
<b><u>Money Market Instruments:</u></b>	Instruments normally dealt on the money market that are liquid and whose value can be accurately determined at any time.
<b><u>Money Market Fund:</u></b>	Money market funds compliant with ESMA guidance (CESR/10-049 of 19 May 2010). Short-Term Money Market Funds are a sub-part of this category with stricter guidelines (in terms of maximum maturities or minimum sovereign ratings especially) defined in the same ESMA guidance.
<b><u>NAV:</u></b>	Net Asset Value
<b><u>OECD:</u></b>	Organisation for Economic Co-operation and Development

<b><u>One-off Expenses:</u></b>	Expenses other than management, performance, distribution and other fees described below borne by each sub-fund. These expenses include but are not limited to legal fees, taxes, assessments or miscellaneous fees levied on sub-funds and not considered as ordinary expenses.
<b><u>OTC:</u></b>	Over The Counter
<b><u>Other Fees:</u></b>	Fees calculated and deducted monthly from the average net assets of a sub-fund, share category, or share class and serving to cover general custody assets expenses (remuneration of the Depositary) and daily administration expenses (NAV calculation, record and book keeping, notices to the shareholders, providing and printing the documents legally required for the shareholders, domiciliation, auditors cost and fees...), except for brokerage fees, commissions for transactions not related to the deposit, director fees, interest and bank fees, one-off expenses, and the tax d'abonnement in force in Luxembourg, as well as any other specific foreign tax.
<b><u>Prospectus:</u></b>	The present document.
<b><u>Reference Currency:</u></b>	Main currency when several valuation currencies are available for a same share category.
<b><u>Regulation 2015/2365:</u></b>	Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) 648/2012 (SFTR)
<b><u>Repurchase transaction/</u></b>	
<b><u>Reverse Repurchase transaction:</u></b>	A transaction governed by an agreement by which a counterparty transfers securities, or guaranteed rights relating to title to securities where that guarantee is issued by a recognised exchange which holds the rights to the securities and the agreement does not allow a counterparty to transfer or pledge a particular security to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a repurchase agreement for the counterparty selling the securities and a reverse repurchase agreement for the counterparty buying them.
<b><u>RESA:</u></b>	Recueil Electronique des Sociétés et Associations
<b><u>SFT:</u></b>	Securities Financing Transactions which means: <ul style="list-style-type: none"> <li>- a repurchase transaction;</li> <li>- securities lending and securities borrowing;</li> <li>- a buy-sell back transaction or sell-buy back transaction</li> <li>- a margin lending transaction</li> </ul>
<b><u>Structured EMTN:</u></b>	It is a combination of an EMTN issue and a derivative enabling the conversion of the cash flows generated by the EMTN. For example, if the issuer floats an EMTN that pays LIBOR + spread, and simultaneously enters into a LIBOR/fixed-rate swap over the same period, it obtains the equivalent of a fixed-rate financing, while the investor obtains a floating-rate investment. These structured EMTNs may be subscribed by investment funds seeking to offer their clients personalised products that meet their specific needs in view of their risk profiles.
<b><u>Time Deposit (TD):</u></b>	Interest-bearing bank deposit that has a specified date of maturity.
<b><u>Treasury Bill (T-bill):</u></b>	Government obligation issued for maturities ranging from 1 month to 1 year. They are traded on a discount basis (fixed rates) and redeemed at par
<b><u>TRS:</u></b>	<b>Total Return Swap:</b> Derivative contract in which one counterparty transfers the total economic performance, including income from interest and fees, gains and losses from price movements, and credit losses, of a reference asset (equity, equity index, bond, bank loan) to another counterparty. <p>TRS are in principle unfunded ("Unfunded TRS"): the total return receiver pays no upfront amount in return for the total return of the reference asset; then it allows both parties to gain exposure to a specific asset in cost-effective manner (the asset can be held without having to pay additional costs).</p> <p>TRS may also be funded ("Funded TRS") when it involves an upfront payment (often based on the market value of the asset) at inception in return for the total return of the reference asset.</p>
<b><u>UCI:</u></b>	Undertaking for Collective Investment
<b><u>UCITS:</u></b>	Undertaking for Collective Investment in Transferable Securities
<b><u>Valuation Currenc(ies)y:</u></b>	Currency in which the net asset values of a sub-fund, share category, or share class are calculated. There may be several valuation currencies for the same sub-fund, share category, or share class (so called "Multi-Currency" facility). When the currency available in the share category, or share class is different from the accounting currency, subscription/conversion/redemption orders may be taken into account without suffering exchange rate charges.

**Valuation Day:**

Each open bank day in Luxembourg and subject to exceptions available in the Book II:

It corresponds also to:

- Date attached to the NAV when it is published
- Trade date attached to orders
- With regards to exceptions in the valuation rules, closing date prices used for the valuation method of the underlying assets in the sub-funds portfolios

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## GENERAL PROVISIONS

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The SICAV is an open-ended investment company (*société d'investissement à capital variable – abbreviated to SICAV*), incorporated under Luxembourg law on 30 June 1998 for an indefinite period.

The Company is currently governed by the provisions of Part I of the Law of 17 December 2010 governing undertakings for collective investment as well as by Directive 2009/65.

The Company's capital is expressed in euros ("EUR") and is at all times equal to the total net assets of the various sub-funds. It is represented by fully paid-up shares issued without a designated par value, described below under "The Shares". The capital varies automatically without the notification and specific recording measures required for increases and decreases in the capital of limited companies. Its minimum capital is defined by the Law.

The Company is registered in the Luxembourg Trade Register under the number B 65 026.

The Company is an umbrella fund, which comprises multiple sub-funds, each with distinct assets and liabilities of the Company. Each sub-fund shall have an investment policy and an Accounting currency that shall be specific to it as determined by the Board of Directors.

The Company is a single legal entity.

In accordance with Article 181 of the Law:

- the rights of shareholders and creditors in relation to a sub-fund or arising from the constitution, operation or liquidation of a sub-fund are limited to the assets of that sub-fund;
- the assets of a sub-fund are the exclusive property of shareholders in that sub-fund and of creditors where the credit arises from the constitution, operation or liquidation of the sub-fund;
- in relations between shareholders, each sub-fund is treated as a separate entity.

The Board of Directors may at any time create new sub-funds, investment policy and offering methods of which will be communicated at the appropriate time by an update to the Prospectus. Shareholders may also be informed via press publication if required by regulations or if deemed appropriate by the Board of Directors. Similarly, the Board of Directors may close sub-funds, in accordance with the provisions of Appendix 4.

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## ADMINISTRATION AND MANAGEMENT

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The Company is directed and represented by the Board of Directors acting under the authority of the General Shareholders' Meeting. The Company outsources management, audit and asset custody services. The roles and responsibilities associated with these functions are described below. The composition of the Board of Directors and the names, addresses and detailed information about the service providers are listed above in "General Information".

The Management Company, the Investment Managers, the Depositary, the Administrative agent, Distributors and other service providers and their respective affiliates, directors, officers and shareholders are or may be involved in other financial, investment and professional activities that may create conflicts of interest with the management and administration of the Company. These include the management of other funds, purchases and sales of securities, brokerage services, depositary and safekeeping services, and serving as directors, officers, advisors or agents for other funds or other companies, including companies in which a sub-fund may invest. Each of the Parties will ensure that the performance of their respective duties will not be impaired by any such other involvement that they might have. In the event that a conflict of interest does arise, the Directors and the relevant Parties involved shall endeavour to resolve it fairly, within reasonable time and in the interest of the Company.

### **Board of Directors**

The Board of Directors assumes ultimate responsibility for the management of the Company and is therefore responsible for the Company's investment policy definition and implementation.

The Board has granted Ms. Claire COLLET-LAMBERT (Company Secretary) responsibilities relating to the day-to-day management of the Company (including the right to act as an authorised signatory of the Company) and its representation.

### **Management Company**

BNP PARIBAS ASSET MANAGEMENT Luxembourg was incorporated as a limited company (*société anonyme*) in Luxembourg on 19 February 1988. Its Articles of Association have been modified at various times, most recently at the Extraordinary General Meeting held on 17 May 2017 with effect on 1<sup>st</sup> June 2017, published in the RESA on 2 June 2017. Its share capital is EUR 3 million, fully paid up.

The Management Company performs administration, portfolio management and marketing tasks on behalf of the Company.

Under its own responsibility and at its own expense, the Management Company is authorised to delegate some or all of these tasks to third parties of its choice.

It has used this authority to delegate:

- the functions of NAV calculation, Registrar (both for registered and bearer shares) and Transfer Agent to BNP Paribas Securities Services, Luxembourg branch;
- the management of the Company's holdings, and the observance of its investment policy and restrictions, to the investment managers listed above in "General Information". A list of the investment managers effectively in charge of management and details of the portfolios managed are appended to the Company's periodic reports. Investors may request an up-to-date list of investment managers specifying the portfolios managed by each.

In executing securities transactions and in selecting any broker, dealer, or other counterparty, the Management Company and any Investment Managers will use due diligence in seeking the best overall terms available. For any transaction, this will involve consideration of all factors deemed relevant, such as market breadth, security price and the financial condition and execution capability of the counterparty. An investment manager may select counterparties from within BNP Paribas so long as they appear to offer the best overall terms available.

In addition, the Management Company may decide to appoint Distributors/Nominees to assist in the distribution of the Company's shares in the countries where they are marketed.

Distribution and Nominee contracts will be concluded between the Management Company and the various Distributors/Nominees.

**In accordance with the Distribution and Nominee Contract, the Nominee will be recorded in the register of shareholders in place of the end shareholders.**

**Shareholders who have invested in the Company through a Nominee can at any time request the transfer to their own name of the shares subscribed via the Nominee. In this case, the shareholders will be recorded in the register of shareholders in their own name as soon as the transfer instruction is received from the Nominee.**

**Investors may subscribe to the Company directly without necessarily subscribing via a Distributor/Nominee.**

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Company, (notably the right to participate in general shareholders' meetings) if the investor is registered himself and in his own name in the shareholders' register of the Company. In cases where an investor invests in the Company through an intermediary investing into the Company in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Company. Investors are advised to take advice on their rights.

### **Remuneration policy:**

#### Remuneration policy of the Management Company

The Management Company applies a sound, effective and sustainable Remuneration Policy in line with the strategy, risk tolerance, goals and values of the Investment Institutions and the Company under management.

The Remuneration Policy is in line with and contributes to sound and effective risk management and doesn't encourage taking more risk than appropriate within the investment policy and terms and conditions of the Company.

The key principles of the remuneration policy are:

- Deliver a market-competitive remuneration policy and practice to attract, motivate and retain best performing employees;
- Avoid conflicts of interest;
- Achieve sound and effective remuneration policy & practice, avoiding excessive risk-taking;
- Ensure long-term risk alignment, and reward of long-term goals;
- Design and implement a sustainable and responsible remuneration strategy, with pay levels and structure which make economic sense for the business.

The details of the up-to-date Remuneration Policy can be found on the Website under <http://www.bnpparibas-am.com/en/remuneration-disclosure> and will also be made available free of charge by the Management Company upon request.

### **Depositary**

The Depositary performs three types of functions, namely (i) the oversight duties (as defined in Article 22.3 of the Directive 2009/65/CE as amended), (ii) the monitoring of the cash flows of the Company (as set out in Article 22.4 of the Directive 2009/65/CE as amended) and (iii) the safekeeping of the Company's assets (as set out in Article 22.5 of the Directive 2014/91/EU) in accordance with standard banking practices and current regulations, the depositary may, under its responsibility, entrust some or all of the assets in its safekeeping to other banking establishments or financial intermediaries.

Under its oversight duties, the depositary must also ensure that:

- (a) Ensure that the sale, issue, redemption and cancellation of the shares of the Company are conducted in accordance with the Law and the Articles of Association.
- (b) Ensure that the value of the shares of the Company is calculated in accordance with the Law and the Articles of Association.
- (c) Carry out the instructions of the Management Company, unless they conflict with the Law or the Articles of Association.
- (d) Ensure that in transactions involving the Company's assets, any consideration is remitted to it within the usual time limits.
- (e) Ensure that the Company's income is applied in accordance with these Articles of Association.

The Depositary shall not carry out activities with regard to the Company or the Management Company on behalf of the UCITS that may create conflicts of interest between the Company, the investors in the Company, the Management Company and itself, unless the Depositary has functionally and hierarchically separated the performance of its depositary tasks from its other potentially conflicting tasks.

### **Conflicts of interest**

The overriding objective of the Depositary is to protect the interests of the Shareholders of the Company, which always prevail over any commercial interests.

Conflicts of interest may arise if and when the Management Company or the Company maintains other business relationships with BNP Paribas Securities Services, Luxembourg Branch in parallel with an appointment of BNP Paribas Securities Services, Luxembourg Branch acting as Depositary. For example, in the case where BNP Paribas Securities Services, Luxembourg Branch would provide the Company and the Management Company with fund administration services, including the net asset value calculation.

In order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, aiming namely at:

- Identifying and analysing potential situations of conflicts of interest;
- Recording, managing and monitoring the conflict of interest situations either in:
- Relying on the permanent measures in place to address conflicts of interest such as segregation of duties, separation of reporting lines, insider lists for staff members; or
- Implementing a case-by-case management to (i) take the appropriate preventive measures such as drawing up a new watch list, implementing a new Chinese wall (i.e by separating functionally and hierarchically the performance of its Depositary duties from other activities), making sure that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company, or (ii) refuse to carry out the activity giving rise to the conflict of interest.
- Implementing a deontological policy;
- Recording of a cartography of conflict of interests permitting to create an inventory of the permanent measures put in place to protect the Company's interests; or
- setting up internal procedures in relation to, for instance (i) the appointment of service providers which may generate conflicts of interests, (ii) new products/activities of the Depositary in order to assess any situation entailing a conflict of interest.

#### Sub-delegation by the Depositary:

In order to provide custody services in a large number of countries allowing the Company to meet its investment objectives, the Depositary has appointed entities as delegates for sub-custody functions. A list of these delegates is available on the website:

[http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits\\_delegates\\_EN.pdf](http://securities.bnpparibas.com/files/live/sites/portal/files/contributed/files/Regulatory/Ucits_delegates_EN.pdf).

Such list may be updated from time to time. A complete list of all delegates may be obtained, free of charge and upon request, from the Depositary.

The process of appointing such delegates and their continuing oversight follows the highest quality standards, including the management of any potential conflict of interest that should arise from such an appointment in accordance with the principles set out in the previous paragraph.

There is currently no conflict of interest arising from any delegation of the functions of safekeeping of the assets of the Company described in article 34(3) of the Law as amended. However in the event that conflicts of interest do arise, the Depositary will undertake to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the Company and the shareholders/unitholders] are fairly treated.

#### Independence requirement

The selection of the Depositary by the Management Company is based on robust, objective and pre-defined criteria and warrants the sole interest of the Company and its investors, Details about this selection process can be provided to investors upon request with the Management Company.

#### **Auditor**

All the Company's accounts and transactions are subject to an annual audit by the Auditor.

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## INVESTMENT POLICY, OBJECTIVES, RESTRICTIONS AND TECHNIQUES

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The Company's general objective is to provide its investors with the highest possible appreciation of capital invested while offering them a broad distribution of risks. To this end, the Company will principally invest its assets in a range of transferable securities, money market instruments, units, or shares in UCIs, credit institution deposits, and financial derivative instrument denominated in various currencies and issued in different countries.

The Company's investment policy is determined by the Board of Directors in light of current political, economic, financial and monetary circumstances. The policy will vary for different sub-funds, within the limits of, and in accordance with, the specific features and objective of each as stipulated in Book II.

The investment policy will be conducted with strict adherence to the principle of diversification and spread of risks. To this end, without prejudice to anything that may be specified for one or more individual sub-funds, the Company will be subject to a series of investment restrictions as stipulated in Appendix 1. In this respect, the attention of investors is drawn to the investment risks described in Appendix 3.

The Board of Directors has adopted a corporate governance policy that includes voting at shareholders' meetings of companies in which sub-funds invest. The main principles governing the Board's voting policy relate to a company's ability to provide shareholders with transparency and accountability with respect to the shareholders' investments and that a company should be managed to assure growth and return of the shares over the long term. The Board of Directors shall execute the voting policy in good faith taking into account the best interest of the shareholders of the investment funds. For further reference please consult also the website [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

Furthermore, the Company is authorised to utilise techniques and instruments on transferable securities and money market instruments under the conditions and limits defined in Appendix 2, provided that these techniques and financial derivatives instruments are employed for the purposes of efficient portfolio management. When these operations involve the use of financial derivative instrument, these conditions and limits must comply with the provisions of the Law. Under no circumstances can these operations cause the Company and its sub-funds to deviate from the investment objectives as described in the Prospectus.

Unless otherwise specified in each sub-fund's investment policy on Book II, no guarantee can be given on the realisation of the investment objectives of the sub-funds, and past performance is not an indicator of future performance.



## THE SHARES

### SHARE CATEGORIES, SUB-CATEGORIES AND CLASSES:

Before subscription, investors are invited to seek information on the opening of the shares, their currencies and the sub-funds in which they are opened. This information is available on the website [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

#### A. CATEGORIES

Within each sub-fund, the Board of Directors will be able to create and issue share categories listed below and add new valuation currencies to existing shares:

Category	Investors	Initial subscription price per share <sup>(1)</sup>	Minimum holding (in EUR or its equivalent in any other Valuation Currency) <sup>(2)</sup>	Maximum fees payable by the investors		
				Entry (max)	Conversion (max)	Exit (max)
I	Institutional Investors and UCIs	100,- in the Reference Currencies	Institutional Investors: 3 million per sub-fund UCIs: None			
I Distribution <sup>(3)</sup>		1,- in the Reference Currencies				
I M Distribution <sup>(5)</sup>		10.000,- in the Reference Currencies				
IT1 <sup>(4)</sup>		100,- in the Reference Currencies				
Privilege	Distributors <sup>(6)</sup> Managers All	100,- in the Reference Currencies	Distributors: none Managers: none Others: 3 million per sub-fund		None	
Privilege Distribution <sup>(3)</sup>		1,- in the Reference Currencies				
Privilege M Distribution <sup>(5)</sup>		10.000,- in the Reference Currencies				
Privilege T1 <sup>(4)</sup>		100,- in the Reference Currencies				
Classic	All	100,- in the Reference Currencies	None			
Classic T1 <sup>(4)</sup>						
X	Authorized Investors	100,- in the Reference Currencies	None			

(1) Entry costs excluded, if any

(2) At the discretion of the Board of Directors. However, the equal treatment of shareholders shall be preserved at all time.

(3) Stable NAV

(4) "T1": Subscriptions and Redemptions are paid on the business day following the applicable Valuation day.

(5) Monthly dividend

(6) Distributors which provide only fee-based independent advisory services as defined by MiFID, with respect to distributors that are incorporated in the EEA

#### B. SUB-CATEGORIES

##### M Distribution categories

These sub-categories pay dividend on a monthly basis.

Other characteristics of these sub-categories as well as the fee structure are the same as those of their mother-category in the same sub-fund.

### **C. CAPITALISATION / DISTRIBUTION CLASSES**

Any of the above share categories / sub-categories is issued in Capitalisation ("CAP") and/or Distribution ("DIS") classes as defined below.

#### **CAP**

CAP shares retain their income to reinvest it.

#### **DIS**

DIS shares pay dividend to unitholders on an annual, monthly or quarterly basis.

The general meeting of shareholders holding DIS shares for each sub-fund concerned decides each year on the Board of Directors' proposal to pay a dividend, which is calculated in accordance with the limitations defined by law and the Articles of Association. In this respect, the general meeting reserves the right to distribute the net assets of each of the Company's sub-funds up to the limit of the legal minimum capital. The nature of the distribution (net investment income or capital) will be mentioned in the Company's Financial Statements.

If, given market conditions, it is in the shareholders' interest not to distribute a dividend, and then no such distribution will be carried out.

If it deems it advisable, the Board of Directors may decide to distribute interim dividends.

The Board of Directors determines the payment methods for the dividends and interim dividends that are decided upon. Dividends will, in principle, be paid in the reference currency of the class (exchange costs incurred for payments in different currencies will be borne by the investor).

Declared dividends and interim dividends not collected by shareholders within a period of five years from the payment date will lapse and revert to the sub-fund concerned.

Interest will not be paid on declared and unclaimed dividends or interim dividends, which will be held by the Fund on behalf of the shareholders of the sub-fund for the duration of the legal limitation period.

For I Distribution and Privilege Distribution shares (stable NAV):

To keep the Net Asset Value of the class stable, a significant portion or even all of the net investment income available for allotment to the shares of the class will be declared daily as dividends and distributed on a monthly basis in order to keep the Net Asset Value of the distribution shares at the initial subscription price. The distributed dividends will be reinvested automatically in new shares or, at the shareholder's request, will be credited to separate account. The objective is to preserve the capital, to keep investments liquid and to maintain a consistent performance by means of the investment policy and the straight-line amortisation method used for the class.

When the net return of a distribution share declared daily is negative an appropriate number of shares will be redeemed on a daily basis in order to maintain a stable net asset value per shares. In such circumstances, the number of shares held and the value of the corresponding participation will decrease and the relevant investors will get back less than originally invested.

For I M Distribution and Privilege M Distribution share categories: the dividend distribution will be executed on a monthly basis, if there is any dividend to be paid.

### **D. SHARE LEGAL FORMS**

All shares are issued in registered form.

The shares are all listed in specific registers of unitholders kept in Luxembourg by the registrar indicated in the section "General Information". Unless otherwise specified, shareholders whose shares are held in registered form will not receive a certificate representing their shares. Instead, they will be sent confirmation of their entry in the register.

### **E. GENERAL PROVISION AVAILABLE FOR ALL CATEGORIES**

The Board of Directors may depart from the initial subscription price per share. However, equal treatment of shareholders shall be preserved at all time.

The Board of Directors may decide at any time to split or consolidate the shares issued within one same sub-fund, category, or class into a number of shares determined by the Board itself. The total net asset value of such shares must be equal to the net asset value of the subdivided/consolidated shares existing at the time of the splitting/consolidation event.

If the assets of a category/class fall below EUR 1,000,000 or equivalent, the Board of Directors reserves the right to liquidate or merge it with another category/class if it decides it is in the best interest of shareholders.

If it transpires that shares are held by persons other than those authorised, they will be converted to the appropriate category, class or currency.

The shares must be fully paid-up and are issued without a par value. Unless otherwise indicated, there is no limitation on their number. The rights attached to the shares are those described in the law of 10 August 1915, unless exempted by the Law.

Fractions of shares may be issued up to one-millionth of a share.

All the Company's whole shares, whatever their value, have equal voting rights. The shares of each sub-fund, category, or class have an equal right to the liquidation proceeds of the sub-fund, category, or class.

Orders received will be processed only in the reference currency of the category.

## **SUBSCRIPTION, CONVERSION AND REDEMPTION OF SHARES**

The shares of the Company may be locally offered for subscription via regular savings plans, redemption and conversion programs, specific to this local supply, and may be subject to additional charges.

In the event that a regular savings plan is terminated prior to the agreed final date, the sum of entry fees payable by the shareholders concerned may be greater than would have been the case for standard subscriptions.

Investors may be required to appoint a paying agent as nominee (the "Nominee") for all actions connected with their shareholding in the Company.

On the basis of this mandate, the Nominee is specifically required to:

- send requests for subscription, redemption and conversion, grouped by share category, share class, sub-fund and distributor to the Company;
- be listed on the Company's register in its name "on behalf of a third party"; and
- exercise the investor's voting right (if any), according to the investor's instructions.

The Nominee must make every effort to keep an up-to-date electronic list of investors' names and addresses and the number of shares held; the status of shareholder can be verified via the confirmation letter sent to the investor by the Nominee.

Investors are informed that they may be required to pay additional fees for the activity of the above Nominee.

### **Preliminary Information**

Subscriptions, conversions and redemptions of shares are made with reference to their unknown net asset value (NAV). Subscriptions must only concern a set amount, except subscriptions requests for "T1" share class which can be submitted either for a set number of shares or for a set amount.

The Board of Directors reserves the right to:

- (a) refuse a subscription, or conversion request for any reason whatsoever in whole or in part;
- (b) redeem, at any time, shares held by persons who are not authorised to buy or hold the Company's shares;
- (c) reject subscription, conversion or redemption requests from any investor who it suspects of using practices associated with Market Timing and Active Trading, and, where applicable, take necessary measures to protect the other investors in the Company, notably by charging an additional exit fees up to 2% of the order amount, to be retained by the sub-fund.

The Board of Directors is authorised to set minimum amounts for subscription, conversion, redemption and holding.

Subscriptions from entities which submit subscription applications and whose names show that they belong to one and the same group, or which have one central decision-making body, will be grouped together to calculate these minimum subscription amounts.

Should a share redemption or conversion request, a merger/splitting procedure, or any other event, have the effect of reducing the number or the total net book value of the shares held by a shareholder to below the number or value decided upon by the Board of Directors, the Company may redeem all the shares.

In certain cases stipulated in the section on suspension of the calculation of the NAV, the Board of Directors is authorised to temporarily suspend the issue, conversion and redemption of shares and the calculation of their net asset value.

The Board of Directors may decide, in the interest of the shareholders, to close a sub-fund, category and/or class for subscription or conversion in, under certain conditions and for the time it defines. Such a decision will not be published but the website [www.bnpparibas-am.com](http://www.bnpparibas-am.com) will be updated accordingly.

In connection with anti-money laundering procedures, the subscription form must be accompanied, in the case of an individual, by the identity card or passport of the subscriber, authenticated by a competent authority (for example, an embassy, consulate, notary, police superintendent) or by a financial institution subject to equivalent identification standards to those applicable in Luxembourg or the Articles of Association; and by an extract from the trade and companies register for a legal entity, in the following cases:

1. direct subscription to the Company;
2. subscription through a professional financial sector intermediary resident in a country that is not subject to an obligation for identification equivalent to Luxembourg standards as regards preventing the use of the financial system for the purposes of money laundering;
3. subscription through a subsidiary or branch office, the parent company of which would be subject to an obligation for identification equivalent to that required under Luxembourg law, if the law applicable to the parent company does not oblige it to ensure that its subsidiaries or branch offices adhere to these provisions.

The Company is also bound to identify the source of funds if they come from financial institutions that are not subject to an obligation for identification equivalent to those required under Luxembourg law. Subscriptions may be temporarily frozen pending identification of the source of the funds.

It is generally accepted that finance sector professionals resident in countries that have signed up to the conclusions of the FATF (Financial Action Task Force) on money laundering are deemed to have an obligation for identification equivalent to that required under Luxembourg law.

### **Processing of Personal Information**

In submitting a subscription request, the investor authorises the Company to store and utilise all of the confidential information that it may acquire on the investor with a view to managing its account or their business relationship. To the extent that this usage so requires, the investor also authorises the sharing of this information with different service providers of the Company. It is to be noted that some service providers established outside of the European Union may be subject to less stringent rules on the safeguarding of information. The information may be used for purposes of filing, order processing, responding to shareholder requests, and providing them with information on other Company products

and services. Neither the Company nor its Management Company will disclose confidential information on shareholders unless required to do so by specific regulations.

### **Subscriptions**

All subscription requests have to be submitted for a set amount, except "T1" share class which can be submitted either for a set number of shares or for a set amount.

The shares will be issued at a price corresponding to the net asset value per share plus the entry fees as described the above table.

For an order to be executed at the net asset value on a given valuation day, it must be received by the Company before the time and date specified in the detailed conditions for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next valuation day.

In order to be accepted by the Company, the order must include all necessary information relating to the identification of the subscribed shares and the identity of the subscriber as described above.

The Company reserves the right to postpone, and/or cancel subscription requests if it is not certain that the appropriate payment will reach the Depositary within the required payment time or if the order is incomplete. The Board of Directors or its agent may process the request by applying an additional charge to reflect interest owed at the customary market rates; or cancelling the share allotment, as applicable accompanied by a request for compensation for any loss owing to failure to make payment before the stipulated time limit. The shares will not be assigned until the duly completed subscription request has been received accompanied by the payment or a document irrevocably guaranteeing that the payment will be made before the deadline. The Company cannot be held responsible for the delayed processing of incomplete orders.

Any outstanding balance remaining after subscription will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be retained by the relevant sub-fund.

The Board of Directors may accept the issue of shares in exchange for the contribution in kind of transferable securities, in accordance with the conditions defined by Luxembourg Law, in particular with respect to the obligation for the submission of a valuation report by the Auditor mentioned under "General Information" above, and provided that these transferable securities meet the Company's investment policy and restrictions for the sub-fund concerned as described in Book II. Unless otherwise specified, the costs of such a transaction will be borne by the applicant.

### **Conversions**

Without prejudice to the specific provisions of a sub-fund, category, or class, shareholders may request the conversion of some or all of their shares into shares of another category, or class in the same sub-fund. The number of newly issued shares and the costs arising from the transaction are calculated in accordance with the formula described below.

Shareholders may not convert part or all of their shares in one sub-fund into shares of another sub-fund.

Conversions are only permitted between the following categories within the same sub-fund:

To / From	I	IT1	I Distribution	I M Distribution	Privilege	Privilege T1	Privilege Distribution	Privilege M Distribution	Classic	Classic T1	X
I	-	No	Yes	Yes		No	Yes		Yes	No	No
IT1	No	-	No			Yes	No			Yes	
I Distribution	Yes	No	-	Yes	Yes	No	Yes	Yes	Yes	No	No
I M Distribution			Yes	-							
Privilege	Yes	No	Yes		-	No	Yes			No	No
Privilege T1	No	Yes	No		No	-	No			Yes	

<b>Privilege Distribution</b>	Yes	No	Yes	Yes	Yes	No	-	Yes	Yes	No	No
<b>Privilege M Distribution</b>							Yes	-			
<b>Classic</b>	Yes	No	Yes			No	Yes	Yes	-	No	No
<b>Classic T1</b>	No	Yes	No			Yes	No			-	
<b>X</b>	Yes	No	Yes			No	Yes			No	-

For a conversion order to be executed at the net asset value on a given valuation day, it must be received by the Company before the time and date specified for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next valuation day.

#### Conversion Formula

The number of shares allocated to a new sub-fund, category or class will be established according to the following formula:

$$S_n = \frac{(S_o \times P_o) - C}{P_n}$$

$S_n$  the number of shares to be issued in the new category/class;  
 $S_o$  the number of shares to be redeemed in the original category/class;  
 $P_o$  the redemption price of the shares of the original dated category/class (including exit costs if any);  
 $P_n$  the share subscription price of the new category/class (including entry costs if any), and  
 $C$  conversion costs (if applicable).

In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after conversion will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.

#### Redemptions

Subject to the exceptions and limitations prescribed in the Prospectus, all shareholders are entitled, at any time, to have their shares redeemed by the Company.

For an order to be executed at the net asset value on a given valuation day, it must be received by the Company before the time and date specified in the conditions for each sub-fund in Book II. Orders received after this deadline will be processed at the net asset value on the next valuation day.

In order to be accepted by the Company, the order must include all necessary information relating to the identification of the shares in question and the identity of the shareholder as described above.

Unless otherwise specified for a particular sub-fund, the redemption amount for each share will be reimbursed in the subscription currency, less, where necessary, the applicable exit fees.

The redemption proceeds will only be paid when the Depositary has received the bearer securities representing the redeemed shares, with unexpired coupons attached, or a guarantee from an independent depositary of the forthcoming delivery of the securities.

The Company reserves the right to postpone redemption requests if the order is incomplete. The Company cannot be held responsible for the delayed processing of incomplete orders.

Redemptions in kind are possible upon specific approval of the Board of Directors, provided that the remaining shareholders are not prejudiced and that a valuation report is produced by the Company's Auditor. The type and kind of assets that may be transferred in such cases will be determined by the manager, taking into account the investment policy and restrictions of the sub-fund in question. The costs of such transfers may be borne by the applicant.

In the event that the total net redemption/conversion applications received for a given sub-fund on a Valuation Day equals or exceeds 10% of the net assets of the sub-fund in question, the Board of Directors may decide to split and/or defer the redemption/conversion applications on a pro-rata basis so as to reduce the number of shares redeemed/converted to date to 10% of the net assets of the sub-fund concerned. Any redemption/conversion applications deferred shall be given in priority in relation to redemption/conversion applications received on the next Valuation Day, again subject to the limit of 10% of net assets.

**In the case of shares held in account (with or without attribution of fractions of shares), any outstanding balance remaining after redemption will be reimbursed to the shareholder, unless the amount is less than EUR 15 or its currency equivalent, as the case may be. Amounts thus not reimbursed will be deemed belonging to the relevant sub-fund.**

**Stock exchange listing**

By decision of the Board of Directors, may be admitted to official listing on the Luxembourg Stock Exchange and/or as applicable on another securities exchange.

At the date of this Prospectus, there are no shares listed on any stock exchange.

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## NET ASSET VALUE

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### CALCULATION OF THE NET ASSET VALUE PER SHARE

Each net asset value calculation will be made as follows under the responsibility of the Board of Directors:

1. The net asset value will be calculated as specified in Book II.
2. The net asset value per share will be calculated with reference to the total net assets of the corresponding sub-fund, category, or class. The total net assets of each sub-fund, category, or class will be calculated by adding all the asset items held by each (including the entitlements or percentages held in certain internal sub-portfolios as more fully described in point 4, below) from which any related liabilities and commitments will be subtracted, all in accordance with the description in point 4, paragraph 4, below.
3. The net asset value per share of each sub-fund, category, or class will be calculated by dividing its respective total net assets by the number of shares in issue up to six decimal places.
4. Internally, in order to ensure the overall financial and administrative management of the set of assets belonging to one or more sub-funds, categories, or classes, the Board of Directors may create as many internal sub-portfolios as there are sets of assets to be managed (the "internal sub-portfolios").

Accordingly, one or more sub-funds, categories, or classes that have entirely or partially the same investment policy may combine the assets acquired by each of them in order to implement this investment policy in an internal sub-portfolio created for this purpose. The portion held by each sub-fund, category, or class within each of these internal sub-portfolios may be expressed either in terms of percentages or in terms of entitlements, as specified in the following two paragraphs. The creation of an internal sub-portfolio will have the sole objective of facilitating the Company's financial and administrative management.

The holding percentages will be established solely on the basis of the contribution ratio of the assets of a given internal sub-portfolio. These holding percentages will be recalculated on each valuation day to take account of any redemptions, issues, conversions, distributions or any other events generally of any kind affecting any of the sub-funds, categories, or classes concerned that would increase or decrease their participation in the internal sub-portfolio concerned.

The entitlements issued by a given internal sub-portfolio will be valued as regularly and according to identical methods *mutatis mutandis* as those mentioned in points 1, 2 and 3, above. The total number of entitlements issued will vary according to the distributions, redemptions, issues, conversions, or any other events generally of any kind affecting any of the sub-funds, categories, or classes concerned that would increase or decrease their participation in the internal sub-portfolio concerned.

5. Whatever the number of categories, or classes created within a particular sub-fund, the total net assets of the sub-fund will be calculated at the intervals defined by Luxembourg Law, the Articles of Association, or the Prospectus. The total net assets of each sub-fund will be calculated by adding together the total net assets of each category, or class created within the sub-fund.
6. Without prejudice to the information in point 4, above, concerning entitlements and holding percentages, and without prejudice to the particular rules that may be defined for one or more particular sub-funds, the net assets of the various sub-funds will be valued in accordance with the rules stipulated below.

### COMPOSITION OF ASSETS

The Company's assets primarily include:

- (1) cash in hand and cash deposit including interest accrued but not yet received and interest accrued on these deposits until the payment date;
- (2) all notes and bills payable on demand and accounts receivable (including the results of sales of securities before the proceeds have been received);
- (3) all securities, units, shares, bonds, options or subscription rights and other investments and securities which are the property of the Company;
- (4) all dividends and distributions to be received by the Company in cash or securities that the Company is aware of;
- (5) all interest accrued but not yet received and all interest generated up to the payment date by securities which are the property of the Company, unless such interest is included in the principal of these securities;
- (6) the Company's formation expenses, insofar as these have not been written down;
- (7) all other assets, whatever their nature, including prepaid expenses.

### VALUATION RULES

The assets of each sub-fund shall be valued as follows:

- (1) the value of cash in hand and cash deposit, bills and drafts payable at sight and accounts receivable, prepaid expenses, and dividends and interest due but not yet received, shall comprise the nominal value of these assets, unless it is unlikely that this value could be received; in that event, the value will be determined by deducting an amount which the Company deems adequate to reflect the actual value of these assets;
- (2) the value of shares or units in undertakings for collective investment shall be determined on the basis of the last net asset value available on the Valuation Day;
- (3) the valuation of all securities listed on a stock exchange or any other regulated market, which functions regularly, is recognised and accessible to the public, is based on the last known closing price on the valuation day, and, if the securities concerned are traded on several markets, on the basis of last known closing price on the major market on which they are traded; if the last known closing price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Board of Directors in a prudent and bona fide manner;
- (4) unlisted securities or securities not traded on a stock exchange or another regulated market which functions in a regular manner is recognised and accessible to the public, shall be valued on the basis of the probable sale price estimated in a prudent and bona fide manner by a qualified professional appointed for this purpose by the Board of Directors;

- (5) securities denominated in a currency other than the currency in which the sub-fund concerned is denominated shall be converted at the exchange rate prevailing on the Valuation Day;
- (6) If permitted by market practice, liquid assets, money market instruments and all other instruments may be valued at their nominal value plus accrued interest or according to the linear amortisation method. Any decision to value the assets in the portfolio using the linear amortisation method must be approved by the Board of Directors, which will record the reasons for such a decision. The Board of Directors will put in place appropriate checks and controls concerning the valuation of the instruments.
- (7) the Board of Directors is authorised to draw up or amend the rules in respect of the relevant valuation rates. Decisions taken in this respect shall be included in the Book II;
- (8) IRS shall be valued on the basis of the difference between the value of all future interest payable by the Company to its counterparty on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments and the value of all future interest payable by the counterparty to the Company on the valuation date at the zero coupon swap rate corresponding to the maturity of these payments;

## **COMPOSITION OF LIABILITIES**

The Company's liabilities primarily include:

- (1) all loans, matured bills and accounts payable;
- (2) all known liabilities, whether or not due, including all contractual obligations due and relating to payment in cash or kind, including the amount of dividends announced by the Company but yet to be paid;
- (3) all reserves, authorised or approved by the Board of Directors, including reserves set up in order to cover a potential capital loss on certain of the Company's investments;
- (4) any other undertakings given by the Company, except for those represented by the Company's equity. For the valuation of the amount of these liabilities, the Company shall take account of all the charges for which it is liable, including, without restriction, the costs of amendments to the Articles of Association, the Prospectus and any other document relating to the Company, management, advisory, performance and other fees and extraordinary expenses, any taxes and duties payable to government departments and stock exchanges, the costs of financial charges, bank charges or brokerage incurred upon the purchase and sale of assets or otherwise. When assessing the amount of these liabilities, the Company shall take account of regular and periodic administrative and other expenses on a prorata temporis basis.

The assets, liabilities, expenses and fees not allocated to a sub-fund, category, or class shall be apportioned to the various sub-funds, categories, or classes in equal parts or, subject to the amounts involved justifying this, proportionally to their respective net assets. Each of the Company's shares which is in the process of being redeemed shall be considered as a share issued and existing until closure on the Valuation Day relating to the redemption of such share and its price shall be considered as a liability of the Company as from closing on the date in question until such time as the price has been duly paid. Each share to be issued by the Company in accordance with subscription applications received shall be considered as being an amount due to the Company until such time as it has been duly received by the Company. As far as possible, account shall be taken of any investment or divestment decided by the Company until the Valuation Day.



## SUSPENSION OF THE CALCULATION OF NET ASSET VALUE AND THE ISSUE, CONVERSION AND REDEMPTION OF SHARES

Without prejudice to legal causes for suspension, the Board of Directors may at any time temporarily suspend the calculation of the net asset value of shares of one or more sub-funds, as well as the issue, conversion and redemption in the following cases:

- (a) during any period when one or more currency markets, or a stock exchange, which are the main markets or exchanges where a substantial portion of a sub-fund's investments at a given time are listed, is/are closed, except for normal closing days, or during which trading is subject to major restrictions or is suspended;
- (b) when the political, economic, military, currency, social situation, or any event of *force majeure* beyond the responsibility or power of the Company makes it impossible to dispose of one assets by reasonable and normal means, without seriously harming the shareholders' interests;
- (c) during any failure in the means of communication normally used to determine the price of any of the Company's investments or the going prices on a particular market or exchange;
- (d) when restrictions on foreign exchange or transfer of capital prevents transactions from being carried out on behalf of the Company or when purchases or sales of the Company's assets cannot be carried out at normal exchange rates;
- (e) as soon as a decision has been taken to either liquidate the Company or one or more sub-funds, categories, or classes;
- (f) to determine an exchange parity under a merger, partial business transfer, splitting, or any restructuring operation within, by or in one or more sub-funds, categories, or classes;
- (g) for a "Feeder" sub-fund, when the net asset value, issue, conversion, or redemption of units, or shares of the "Master" sub-fund are suspended;
- (h) any other cases when the Board of Directors estimates by a justified decision that such a suspension is necessary to safeguard the general interests of the shareholders concerned.

In the event the calculation of the net asset value is suspended, the Company shall immediately and in an appropriate manner inform the shareholders who requested the subscription, conversion or redemption of the shares of the sub-fund(s) in question.

In exceptional circumstances which could have a negative impact on shareholders' interests, or in the event of subscription, redemption or conversion applications exceeding 10% of a sub-funds' net assets, the Board of Directors reserves the right not to determine the value of a share until such time as the required purchases and sales of securities have been made on behalf of the sub-fund. In that event, subscription, redemption and conversion applications in the pipeline will be processed simultaneously on the basis of the net asset value so calculated.

Pending subscription, conversion and redemption applications may be withdrawn by written notification provided that such notification is received by the company prior to lifting of the suspension. Pending applications will be taken into account on the first calculation date following lifting of the suspension. If all pending applications cannot be processed on the same calculation date, the earliest applications shall take precedence over more recent applications.

### Swing pricing

In certain market conditions, taking account of the volume of purchase and sale transactions in a given sub-fund, category, or class and the size of these transactions, the Board of Directors may consider that it is in the interest of shareholders to calculate the NAV per share based on the purchase and sale prices of the assets and/or by applying an estimate of the difference between the buy and sell prices applicable on the markets on which the assets are traded. The Board of Directors may further adjust the NAV for transaction fees and sales commissions, provided these fees and commissions do not exceed 1% of the NAV of the sub-fund, category, or class at that time.

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## TAX PROVISIONS

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### TAXATION OF THE COMPANY

At the date of the Prospectus, the Company is not liable to any Luxembourg income tax or capital gains tax.

The Company is liable to an annual tax d'abonnement in Luxembourg representing 0.05% of the net asset value. This rate is reduced to 0.01% for:

- a) sub-funds with the exclusive objective of collective investments in money market instruments and deposits with credit institutions;
- b) sub-funds with the exclusive objective of collective investments with credit institutions;
- c) sub-funds, categories, or classes reserved for Institutional Investors, Managers, and UCIs.

The following are exempt from this *taxe d'abonnement*:

- a) the value of assets represented by units, or shares in other UCIs, provided that these units or shares have already been subject to the *taxe d'abonnement*;
- b) sub-funds, categories, and/or classes:
  - (i) whose securities are reserved to Institutional Investors, Managers, or UCIs and
  - (ii) whose sole object is the collective investment in money market instruments and the placing of deposits with credit institutions, and
  - (iii) whose weighted residual portfolio maturity does not exceed 90 days, and
  - (iv) that have obtained the highest possible rating from a recognised rating agency;
- c) sub-funds, share categories and/or classes reserved to:
  - (i) institutions for occupational retirement pension or similar investment vehicles, set up at the initiative of one or more employers for the benefit of their employees, and
  - (ii) companies having one or more employers investing funds to provide pension benefits to their employees;
- d) sub-funds whose main objective is investment in microfinance institutions;
- e) sub-funds, shares categories and/or classes:
  - (i) whose securities are listed or traded on at least one stock exchange or another regulated market operating regularly that is recognized and open to the public, and
  - (ii) whose exclusive object is to replicate the performance of one or several indices.

When due, the *taxe d'abonnement* is payable quarterly based on the relevant net assets and calculated at the end of the quarter for which it is applicable.

In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

### TAXATION OF THE COMPANY'S INVESTMENTS

Some of the Company's portfolio income, especially income in dividends and interest, as well as certain capital gains, may be subject to tax at various rates and of different types in the countries in which they are generated. This income and capital gains may also be subject to withholding tax. Under certain circumstances, the Company may not be eligible for the international agreements preventing double taxation that exist between the Grand Duchy of Luxembourg and other countries. Some countries will only consider that persons taxable in Luxembourg qualify under these agreements.

### TAXATION OF SHAREHOLDERS

#### a) Residents of the Grand Duchy of Luxembourg

On the date of the Prospectus, the dividends earned and capital gains made on the sale of shares by residents of the Grand Duchy of Luxembourg are not subject to withholding tax.

Dividends are subject to income tax at a personal tax rate.

Capital gains made on the sale of shares are not subject to income tax if the shares are held for a period of over six months, except in the case of resident shareholders holding over 10% of the shares of the Company.

#### b) Non-residents

According to current law and in the event that the provisions of Directive 2011/16 as specified in item c) below do not apply:

- the dividends earned and the capital gains made on the sale of shares by non-residents are not subject to withholding tax;
- the capital gains made by non-residents on the sale of shares are not subject to Luxembourg income tax.

Nevertheless, if there is a dual tax convention between the Grand Duchy and the shareholder's country of residence, the capital gains made on the sale of shares are tax-exempt in principle in Luxembourg, with the taxation authority being attributed to the shareholder's country of residence.

### EXCHANGE OF INFORMATION

#### a) Residents of another member state of the European Union, including the French overseas departments, the Azores, Madeira, the Canary Islands, the Åland Islands and Gibraltar

Any individual who receives dividends from the Company or the proceeds from the sale of shares in the Company through a paying agent based in a state other than the one in which he resides is advised to seek information on the legal and regulatory provisions applicable to him.

In most countries covered by Directive 2011/16 and 2014/107, the total gross amount distributed by the Company and/or the total gross proceeds from the sale, refunding or redemption of shares in the Company will be reported to the tax authorities in the state of residence of the beneficial owner of the income. Austria and Switzerland, will apply the exchange of information as of 1<sup>st</sup> January 2018 on the basis of the date collected in 2017.

#### b) Residents of third countries or territories

No withholding tax is levied on interest paid to residents of third countries or territories.

Nevertheless, in the framework of Automatic Exchange of Information package (AEOI) covering fiscal matters elaborated by OECD, the Company may need to collect and disclose information about its shareholders to third parties, including the tax authorities of the participating country in which the beneficiary is tax resident, for the purpose of onward transmission to the relevant jurisdictions. The data of financial and personal information as defined by this regulation which will be disclosed may include (but is not limited to) the identity of the shareholders and their direct or indirect beneficiaries, beneficial owners and controlling persons. A shareholder will therefore be required to comply with any reasonable request from the Company for such information, to allow the Company to comply with its reporting requirements. The exchange will be made in 2017 on the basis of the data collected in 2016 for the early “adopters” countries and in 2018 on the basis of the data collected in 2017 for the other AEOI participating countries (Austria and Switzerland). The list of AEOI participating countries is available on the website: <http://www.oecd.org/tax/automatic-exchange/>

e) US Tax

Under the Foreign Account Tax Compliance Act (“FATCA”) provisions which came into force as from 1st July 2014, in the case the Company invests directly or indirectly in US assets, income received from such US investments could be subject to a 30% US withholding tax.

To avoid such withholding tax the United States have entered, on 28th March 2014, into an intergovernmental agreement (the “IGA”) with the Grand Duchy of Luxembourg under which the Luxembourg financial institutions undertake due diligence to report certain information on their direct or indirect U.S. investors to the Luxembourg Tax authorities. Such information will be onward reported by the Luxembourg tax authorities to the U.S. Internal Revenue Service (“IRS”).

The foregoing provisions are based on the Law and practices currently in force, and are subject to change. Potential investors are advised to seek information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment. The attention of investors is also drawn to certain tax provisions specific to individual countries in which the Company publicly markets its shares.

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## GENERAL MEETINGS AND INFORMATION FOR SHAREHOLDERS

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### GENERAL SHAREHOLDERS' MEETINGS

The Annual General Shareholders' Meeting is held at 3 pm on the last Friday of September at the Company's registered office or any other location in the Grand Duchy of Luxembourg specified in the notice to attend the meeting. If that day is not a bank business day in Luxembourg, the Annual General Meeting will be held on the following bank business day. Other General Meetings may be convened in accordance with the prescriptions of Luxembourg law and the Company's Articles of Association.

Notices inviting shareholders to attend General Meetings will be published according to the forms and times prescribed in Luxembourg law and the Company's Articles of Association, and at least with a 14 days prior notice.

Similarly, General Meetings will be conducted as prescribed by Luxembourg law and the Company's Articles of Association.

Every share, irrespective of its unit value, entitles its holder to one vote. All shares have equal weight in decisions taken at the General Meeting when decisions concern the Company as a whole. When decisions concern the specific rights of shareholders of one sub-fund, category, or class, only the holders of shares of that sub-fund, category, or class may vote.

### INFORMATION FOR SHAREHOLDERS

#### Net Asset Values and Dividends

The Company publishes the legally required information in the Grand Duchy of Luxembourg and in all other countries where the shares are publicly offered.

This information is also available on the website: [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

#### Financial Year

The Company's financial year starts on 1<sup>st</sup> June and ends on 31<sup>st</sup> May.

#### Financial Reports

The Company publishes an annual report closed on the last day of the financial year, certified by the auditors, as well as a non-certified, semi-annual interim report closed on the last day of the sixth month of the financial year. The Company is authorised to publish a simplified version of the financial report when required.

The financial reports of each sub-fund are published in the accounting currency of the sub-fund, although the consolidated accounts of the Company are expressed in euro.

The annual report is made public within four months of the end of the financial year and the interim report within two months of the end of the half-year.

#### Documents for Consultation

The Articles of Association, the Prospectus, the KIID, and periodic reports may be consulted at the Company's registered office and at the establishments responsible for the Company's financial service. Copies of the Articles of Association and the annual and interim reports are available upon request.

Except for the newspaper publications required by Law, the official media to obtain any notice to shareholders will be the website: [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

Documents and information are also available on the website: [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

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## APPENDIX 1 – INVESTMENT RESTRICTIONS

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For the purpose of this Appendix 1, the following definitions apply:

“Member State”: Means member state of the European Union. The states that are contracting parties to the Agreement creating the European Economic Area other than the Member States of the European Union, within the limits set forth by this Agreement and related acts are considered as equivalent to Member States of the European Union.

“Third Country”: Means a country other than a Member State.

1. A sub-fund's investments shall comprise only one or more of the following:

- a) transferable securities and money market instruments admitted to or dealt in on a regulated market as defined by Directive 2004/39;
- b) transferable securities and money market instruments dealt in on another regulated market in a Member State, which operates regularly and is recognised and open to the public;
- c) transferable securities and money market instruments admitted to official listing on a stock exchange in a country which is not a European Union Member State or dealt in on another regulated market in a country which is not a European Union Member State which operates regularly and is recognised and open to the public;
- d) recently issued transferable securities and money market instruments, provided that:
  - (i) the terms of issue include an undertaking that an application will be made for admission to official listing on a stock exchange or to another regulated market which operates regularly and is recognised and open to the public; and
  - (ii) the admission is secured within one year of the issue;
- e) units or shares in UCITS authorised according to Directive 2009/65 and/or other UCIs within the meaning of Article 1(2)(a) and (b) of the Directive 2009/65, whether or not established in a Member State, provided that:
  - (i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the CSSF to be equivalent to that laid down in EU legislation, and that cooperation between authorities is sufficiently ensured;
  - (ii) the level of protection to unitholders or shareholders in these other UCIs is equivalent to that provided for unitholders or shareholders in a UCITS, and in particular that the rules on assets segregation, borrowings, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65;
  - (iii) the business of these other UCIs is reported in semi-annual interim and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; and
  - (iv) no more than 10% of the assets of the UCITS or of the other UCIs whose acquisition is contemplated, can, according to their management regulations or articles of association, be invested in aggregate in units or shares of other UCITS or other UCIs;
- f) deposits with credit institution which are repayable on demand or have the right to be withdrawn and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the credit institution has its registered office in a Third Country, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU legislation;
- g) financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market referred to in points a), b) and c) above or financial derivative instruments dealt in over-the-counter (OTC) derivatives, provided that:
  - (i) the underlying of the derivative consists of instruments covered by this paragraph1., financial indices, interest rates, foreign exchange rates or currencies, in which the corresponding sub-fund may invest according to its investment objectives as stated in the Company's Articles of Association.
  - (ii) the counterparties to OTC derivatives transactions are institutions subject to prudential supervision and belonging to the categories approved by the CSSF, and
  - (iii) the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time and at their fair value at the Company's initiative;
- h) money market instruments other than those dealt in on a regulated market, which fall under Article 1 of the Law, if the issuer or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, provided that they are:
  - (i) issued or guaranteed by a central, regional or local authority, by a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a Third Country or, in the case of a Federal State, by one of the members making up the federation or, by a public international body to which one or more European Union Member States belong;
  - (ii) issued by a company any securities of which are dealt in on regulated markets referred to in Section 1. paragraph a), b) or c) above;
  - (iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU legislation; or
  - (iv) issued by other bodies belonging to the categories approved by the CSSF provided that the investments in such instruments are subject to investor protection equivalent to that laid down in points (i), (ii) or (iii) first, second or third sub-clauses immediately preceding, and provided that the issuer is a company whose capital and reserves amount to at least EUR 10 000 000 and which presents and publishes its annual accounts in accordance with the Directive 78/660, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2. A sub-fund shall not, however:
  - a) invest more than 10% of its assets in transferable securities, or money market instruments other than those referred to in Section 1.; or
  - b) acquire either precious metal or certificates representing them.

A sub-fund may hold ancillary liquid assets.

3. The Company may acquire movables and immovable property indispensable for the direct performance of its activity.
- 4.

- a) A sub-fund shall not invest no more than:
  - (i) 10% of its assets in transferable securities or money market instruments issued by the same body; or
  - (ii) 20% of its assets in deposits made with the same body.

The risk exposure to a counterparty of a sub-fund in an OTC derivative transaction shall not exceed either:

  - (i) 10% of its assets when the counterparty is a credit institution referred to Section 1. paragraph f); or
  - (ii) 5% of its assets, in other cases.
- b) The total value of the transferable securities and the money market instruments held by a sub-fund in the issuing bodies in each of which it invests more than 5% of its assets shall not exceed 40% of the value of its assets. That limitation shall not apply to deposits or OTC derivative transactions made with financial institutions subject prudential supervision.

Notwithstanding the individual limits laid down in paragraph a), a sub-fund shall not combine, where this would lead to investment of more than 20% of its assets in a single body, any of the following:

- (i) investments in transferable securities or money market instruments issued by that body;
  - (ii) deposits made with that body; or
  - (iii) exposure arising from OTC derivatives transactions undertaken with that body.
- c) The 10% limit laid down in the paragraph a) point (i) may be raised to a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State, by its local authorities, by a Third Country or by public international body to which one or more Member States belong.
  - d) The 10% limit laid down in the paragraph a) point (i) may be raised to a maximum of 25% where bonds are issued by a credit institution which has its registered office in a Member State and is subject by law to special supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

Where a sub-fund invests more than 5% of its assets in the bonds referred to in paragraph a) which are issued by a single issuer, the total value of these investments shall not exceed 80% of the value of the assets of the sub-fund.

- e) The transferable securities and money market instruments referred to in paragraphs c) and d) shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph b).

The limits provided in paragraph a), b), c) and d) shall not be combined, and thus investments in transferable securities or money market instruments issued by the same body or in deposits or derivative instruments made with this body carried out in accordance with paragraph a), b), c) and d) shall not exceed in total 35% of the assets of the sub-fund.

Companies which are grouped together into a consolidated accounting entity as defined by Directive 83/349 or in accordance with recognised international accounting rules are considered as a single entity for the calculation of the limits stipulated in this Section 4.

A single sub-fund may invest a cumulative total of up to 20% of its assets in the transferable securities and money market instruments of a single group.

5. Without prejudice to the limits laid down in Section 8., the limits laid down in Section 4. are raised to a maximum of 20% for investments in shares or debt securities issued by the same body, when the aim of the sub-fund's investment policy is to replicate the composition of a certain stock or debt securities index which is recognised by the CSSF, on the following basis:

- (i) its composition is sufficiently diversified;
- (ii) the index represents an adequate benchmark for the market to which it refers; and
- (iii) it is published in an appropriate manner.

This limit of 20% shall be raised to a maximum 35% where that proves to be justified by exceptional market conditions (such as, but not limited to, disruptive market conditions or extremely volatile markets) in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to that limit shall be permitted only for a single issuer.

6. As an exception to Section 4., in accordance with the principle of risk-spreading, a sub-fund shall invest up to 100% of its assets in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a Third Country part of the OECD, Brazil, Russia, Singapore and South Africa, or a public international body to which one or more Member States belong.

Such a sub-fund shall hold securities from at least six different issues, but securities from any single issue shall not account for more than 30% of its total assets.

7.

- a) A sub-fund may acquire the units or shares in UCITS or other UCIs referred to in Section 1. paragraph e), provided that no more than 20% of its assets are invested in units or shares of a single UCITS or other UCI. For the purposes of the application of this investment limit, each sub-fund in a multi-sub-fund UCI, as defined by Article 181 of the Law, is considered as a separate issuer, provided that the principle of segregation of the commitments of the different sub-funds with regard to third parties is assured.
- b) Investments made in units or shares of UCIs other than UCITS shall not exceed, in aggregate, 30% of the assets of a sub-fund. Where a sub-fund has acquired units or shares of another UCITS or UCIs, the assets of the respective UCITS or other UCIs are not combined for the purposes of the limits laid down in Section 4.

- c) Due to the fact that the Company may invest in UCI units, or shares, the investor is exposed to a risk of fees doubling (for example, the management fees of the UCI in which the Company is invested).

A sub-fund may not invest in a UCITS, or other UCI (underlying), with a management fee exceeding 3% per annum.

Where a sub-fund invests in the units or shares of other UCITS or UCIs that are managed, directly or by delegation, by the same management company or by any other company with which the management company is linked by common management or control, or by a substantial direct or indirect holding, the sub-fund will not incur any entry or exit costs for the units or shares of these underlying assets.

The maximum annual management fee payable directly by the sub-fund is defined in Book II.

8.

- a) The Company shall not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

- b) The Company may acquire no more than:

- (i) 10% of the non-voting shares of a single issuing body;
- (ii) 10% of debt securities of a single issuing body;
- (iii) 25% of units or shares of a single UCITS, or other UCI within the meaning of Article 2 Paragraph 2 of the Law; or
- (iv) 10% of the money market instruments of a single issuing body.

The limits laid down in points (ii), (iii) and (iv) may be disregarded at the time of acquisition if, at that time, the gross amount of debt securities or of the money market instruments, or the net amount of the securities issued, cannot be calculated.

- c) Paragraph a) and b) above do not apply with regard to:

- (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- (ii) transferable securities and money market instruments issued or guaranteed by a country which is not a European Union Member State;
- (iii) transferable securities and money market instruments issued by a public international body to which one or more European Union Member State belong;
- (iv) shares held by the Company in the capital of a company incorporated in a Third Country not member of the European Union investing its assets mainly in securities of issuing bodies having their registered offices in that country, where under the legislation of that country, such a holding represents the only way in which the Company can invest in the securities of issuing of that country. This derogation shall apply only if in its investment policy the company from the Third Country not member of the European Union complies with the limits laid down in Sections 3, 6 and 7 paragraph a) and b). Where the limits set in Sections 4. and 7. are exceeded, Section 9. shall apply *mutatis mutandis*;

9. The sub-funds are not required to comply with the limits laid down in this Appendix when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

While ensuring observance of the principle of risks spreading, recently authorised sub-funds are allowed to derogate from Section 4, 5, 6 and 7 for six months following the date of their authorisation.

If these limits are exceeded for reasons beyond the control of the sub-fund or as a result of the exercise of subscription rights, the sub-fund shall adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.

10. A sub-fund can acquire currencies through back-to-back loans.

A sub-fund may borrow the following, provided that such borrowing:

- a) is made on a temporary basis and represents a maximum of 10% of its assets;
- b) allows the acquisition of immovable property indispensable to the direct exercise of its activities and represents a maximum of 10% of its assets.

If a sub-fund is authorised to borrow under points a) and b), these loans must not exceed 15% of its total assets.

11. Without prejudice to the application of Sections 1., 2. and Appendix 2, a sub-fund shall not grant loans or act as a guarantor on behalf of third parties.

This shall not prevent a sub-fund from acquiring transferable securities, money market instruments or other financial instruments referred to in Section 1. paragraph e), g) and h), which are not fully paid.

12. A sub-fund shall not carry out uncovered sales of transferable securities, money market instruments or other financial instruments referred to in Section 1. paragraph e), g) and h).

13. By way of derogation of the above restriction, a sub-fund designed as "the Feeder" may invest:

- a) at least 85% of its assets in units, or shares of another UCITS or another sub-fund of UCITS (the "Master");
- b) up to 15% of its assets in one or more of the following:
  - ancillary liquid assets,
  - financial derivative instruments, which may be used only for hedging purpose, in accordance with Section 1. paragraph g) and Appendix 2;
  - movable and immovable property which is essential for the direct pursuit of its business.

14. A sub-fund may acquire shares of one or more other sub-funds of the Company (the target sub-fund), provided that:

- the target sub-fund does not, in turn, invest in the sub-fund;
- the proportion of assets that each target sub-fund invests in other target sub-funds of the Company does not exceed 10%;
- any voting rights attached to the shares of the target sub-funds are suspended for as long as they are held by the sub-fund and without prejudice to the appropriate treatment in the accounts and the periodic reports; and

- in any event, for as long as these target sub-fund shares are held by the Company, their value shall not be taken into consideration for the calculation of the net assets of the Company for the purposes of verifying the minimum threshold of net assets required by the law.

As a general rule, the Board of Directors reserves the right to introduce other investment restrictions at any time when indispensable for conforming to the laws and regulations in force in certain states where the Company's shares may be offered and sold. On the other hand, where permitted by current regulations applicable to the Company, the Board of Directors reserves the right to exempt one or more sub-funds from one or more of the investment restrictions specified above. These exceptions will be mentioned in the investment policies summarised in Book II for each of the sub-funds concerned.



**FINANCIAL DERIVATIVE INSTRUMENTS****1. General Information**

Without prejudice to any stipulations for one or more particular sub-funds, the Company is authorised, for each sub-fund and in conformity with the conditions set out below, to use financial derivative instruments for hedging, efficient portfolio management or trading (investment) purposes in accordance with Section 1 paragraph g) of the Appendix 1 of the Prospectus (the “Appendix 1”).

Each sub-fund may, in the context of its investment policy and within the limits defined in Section 1 of the Appendix 1, invest in financial derivative instruments provided that the total risk to which the underlying assets are exposed does not exceed the investment limits stipulated in Section 3 of Appendix 1. When a sub-fund invests in financial derivative instruments based on an index, these investments are not necessarily combined with the limits stipulated in Section 3 of the Appendix 1.

When a transferable security or a money market instrument comprises a derivative instrument, the derivative instrument must be taken into account for the application of the present provisions.

**Calculation of counterparty risk linked to OTC derivative instruments**

In conformity with Section 4.paragraph a) of the Appendix 1, the counterparty risk linked to OTC derivatives and efficient portfolio management techniques concluded by a sub-fund may not exceed 10% of its assets when the counterparty is a credit institution cited in Section 1.paragraph f) of the Appendix 1, or 5% of its assets in other cases.

The counterparty risk linked to OTC financial derivatives shall be based, as the positive mark to market value of the contract.

**Valuation of OTC derivatives**

In accordance with Section 1. paragraph g) of the Appendix 1, the Management Company will establish, document, implement and maintain arrangements and procedures which ensure appropriate, transparent and fair valuation of OTC derivatives.

**Efficient Portfolio Management techniques**

A sub-fund can use financial derivative instruments and Securities Financing Transactions for efficient portfolio management purpose provided that:

- (a) They are economically appropriate in that they are realised in a cost-effective way;
- (b) They are entered into for one or more of the following specific aims:
  - (i) reduction of risk;
  - (ii) reduction of cost;
  - (iii) generation of additional capital or income for a sub-fund with a level of risk which is consistent with the risk profile of the sub-fund and the risk diversification rules described in Section 4. of the Appendix 1;
- (c) Their risks are adequately captured by the risk management process of the sub-fund.

Efficient portfolio management shall not :

- a) result in a change of the investment objective of the concerned sub-fund; or
- b) add substantial additional risks in comparison to the original risk policy of the sub-fund.

Direct and indirect operational costs/fees arising from efficient portfolio management techniques may be deducted from the revenue delivered to the concerned sub-funds. The lending agent for the Company, BNP Paribas Securities Services, receives a fee amounting up to 20% of the gross revenue for its services. BNP Paribas Securities Services is a wholly-owned subsidiary of the BNP Paribas Group. These costs and fees will not include hidden revenues.

The following information is disclosed in the annual report of the Company:

- a) the exposure of each sub-fund obtained through efficient portfolio management techniques;
- b) the identity of the counterparty(ies) to these efficient portfolio management techniques;
- c) the type and amount of collateral received by the sub-funds to reduce counterparty exposure; and
- d) the revenues arising from efficient portfolio management techniques for the entire reporting period together with the direct and indirect operational costs and fees incurred.

**2. Global Exposure***Determination of global exposure*

According to the Circular 11/512, the management company must calculate the sub-fund's global exposure at least **once a day**. The limits on global exposure must be complied with on an ongoing basis.

It is the responsibility of the Management Company to select an appropriate methodology to calculate the global exposure. More specifically, the selection should be based on the self-assessment by the Management Company of the sub-fund's risk profile resulting from its investment policy (including its use of financial derivative instruments).

*Risk measurement methodology according to the sub-fund's risk profile*

The sub-funds are classified after a self-assessment of their risk profile resulting from their investments policy including their inherent derivative investment strategy that determines two risk measurements methodologies:

- The advanced risk measurement methodology such as the Value-at-Risk (VaR) approach to calculate global exposure where:
  - (a) The sub-fund engages in complex investment strategies which represent more than a negligible part of the sub-funds' investment policy;
  - (b) The sub-fund has more than a negligible exposure to exotic financial derivative instruments; or
  - (c) The commitment approach doesn't adequately capture the market risk of the portfolio.

**There is currently no sub-fund under VAR.**

- The commitment approach methodology to calculate the global exposure should be used in every other case.

### 2.1. Commitment approach methodology:

- The commitment conversion methodology for **standard derivatives** is always the market value of the equivalent position in the underlying asset. This may be replaced by the notional value or the price of the futures contract where this is more conservative.
- For **non-standard derivatives**, an alternative approach may be used provided that the total amount of the financial derivative instrument represents a negligible portion of the sub-fund's portfolio;
- For **structured sub-funds**, the calculation method is described in the ESMA/2011/112 guidelines.

A financial derivative instrument is not taken into account when calculating the commitment if it meets both of the following conditions:

- (a) The combined holding by the sub-fund of a financial derivative instrument relating to a financial asset and cash which is invested in risk free assets is equivalent to holding a cash position in the given financial asset.
- (b) The financial derivative instrument is not considered to generate any incremental exposure and leverage or market risk.

The sub-fund's total commitment to financial derivative instruments, limited to 100 % of the portfolio's total net value, is quantified as the sum, as an absolute value, of the individual commitments, after possible netting and hedging arrangements.

**Currently, all the sub-funds use the commitment approach method.**

### 2.3. Global Exposure for Feeder sub-funds:

The global exposure of a Feeder sub-fund will be calculated by combining its own exposure through financial derivative instruments, with either:

- a) the Master actual exposure through financial derivative instruments in proportion to the Feeder investment into the Master; or
- b) the Master potential maximal global exposure related to financial derivative instruments as defined by the Master' management rules, or Articles of Association in proportion to the Feeder investment into the Master.

## 3. TRS

At the date of this Prospectus, the Company does not use TRS for any of its sub-funds.

### SECURITIES FINANCING TRANSACTIONS ("SFT")

In accordance with the Regulation 2015/2365 and Circulars 08/356 and 14/592, the Company may enter in securities financing transactions for the purpose of raising short term capital in order to enhance in a safe way the liquidity of the sub-fund.

#### List of sub-funds using SFT

The sub-funds using SFT, the maximum proportion of assets that can be subject to them and the expected proportion of assets that will be subject to each of them are listed below.

The expected proportion represents the level of use expected in normal market conditions. The actual percentage may vary in exceptional circumstances such as market conditions or massive redemptions but always within the limit of the maximum.

Sub-funds	Reverse Repurchase transactions / NAV	
	Expected	Maximum
InstiCash EUR	20%	100%
InstiCash USD	5%	100%
InstiCash GBP	5%	100%
InstiCash MONEY 3M EUR	5%	100%

#### Policy on sharing of return generated by SFT

The return of the reverse repurchase transactions, being the difference of market values between the two legs of the transactions, is completely allocated to the sub-fund when positive, or completely charged to the sub-fund when negative. There are neither costs nor fees specific to the reverse repurchase transaction charged to the sub-fund that would constitute an income for the Management Company or another party.

### Reverse Repurchase transactions

A Reverse repurchase transaction consists of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the asset sold and the sub-fund the obligation to return the asset received under the transaction.

However, the involvement of a sub-fund in such agreements is subject to the following rules:

- a) Each sub-fund may buy securities with reverse repurchase options only if the counterparties in these agreements are first-rank financial institutions specialising in this type of transaction; and
- b) During the lifetime of a reverse repurchase agreement, a sub-fund may not sell the securities forming the subject of the contract until the counterparty's reverse repurchase option has been exercised or the reverse repurchase term has expired.

In addition, each sub-fund must ensure that the value of the reverse repurchase transaction is at a level that the sub-fund is capable at all times of meeting its redemption obligations towards shareholders.

#### *Eligible securities for reverse repurchase transactions*

Eligible securities for reverse repurchase transactions are only made of bonds issued or guaranteed by a member of state of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature;

#### *Limits for reverse repurchase transactions*

The securities which are the subject of reverse repurchase transactions must be compliant with the investment policy of the Company and must together with the other securities which the Company holds in its portfolio, globally comply with the investment restrictions of the Company.

A sub-fund that enters into a reverse repurchase agreement will ensure that:

- At any time the sub-fund may recall the full amount of cash or terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the net asset value of the sub-fund.
- At any time the sub-fund may recall any securities subject to the reverse repurchase agreement or terminate the repurchase agreement into which it has entered.

### **MANAGEMENT OF COLLATERAL IN RESPECT OF OTC DERIVATIVES AND SFT**

Assets received from counterparties in respect of Financial Derivatives Instruments and Securities Financial Transactions other than currency forwards constitute collateral in accordance with the Regulation 2015/2365 and Circular 14/592.

All collateral used to reduce counterparty risk exposure will comply with the following criteria at all times:

#### *Liquidity*

Any collateral received other than cash will be highly liquid and dealt in on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received will also comply with the provisions of the Section 7 of the Appendix 1.

#### *Valuation*

Collateral received will be valued on at least a daily basis, according to mark-to-market, and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place, dependant on the issuer's credit quality and the maturity of the received securities.

#### *Risks*

Risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated by the risk management process.

#### *Safe-keeping (also for securities subject to SFT)*

Where there is a title transfer, the collateral received will be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.

#### *Enforcement*

Collateral received will be capable of being fully enforced at any time without reference to or approval from the counterparty. The Company must ensure that it is able to claim its right on the collateral in case of the occurrence of any event requiring the execution thereof. Therefore the collateral must be available at all time either directly or through the intermediary of the counterparty, in such a manner that the Company is able to appropriate or realise the securities given as collateral without delay if the counterparty fails to comply with its obligation to return the securities.

#### *Collateral diversification (asset concentration)*

Collateral should be sufficiently diversified in terms of country, markets and issuers. The criterion of sufficient diversification with respect to issuer concentration is considered to be respected if the sub-fund receives from a counterparty of efficient portfolio management and over-the-counter financial derivative transactions a basket of collateral with a maximum exposure to a given issuer of 20% of its net asset value. When a sub-fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation, a sub-fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by any European Union Member State, one or more of its local authorities, a third country part of the OECD, Brazil, People's Republic of China, India, Russia, Singapore and South Africa, or a public international body to which one or more European Union Member States belong. Such a sub-fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the sub-fund' net asset value.

The collateral received by a sub-fund should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty.

#### *Stress testing*

For all the sub-funds receiving collateral for at least 30% of their assets, the Management Company will set up, in accordance with the Circular 14/592, an appropriate stress testing policy to ensure regular stress tests under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral.

### Haircut policy

The Management Company will set up, in accordance with the Circular 14/592, a clear haircut policy adapted for each class of assets received as collateral.

### Acceptable Collateral - Public regulatory grid

Asset Class	Minimum Rating accepted	Margin required / NAV	Cap by asset class / NAV	Cap by Issuer / NAV
Cash (EUR, USD, GBP and other Valuation Currency)		[100 - 110%]	100%	
Fixed Income				
Eligible OECD Government Bonds	BBB	[100 - 115%]	100%	20%
Eligible Supra & Agencies	AA-	[100 - 110%]	100%	20%
Other Eligible Countries Government Bonds	BBB	[100 - 115%]	100%	20%
Eligible OECD Corporate Bonds	A	[100 - 117%]	100%	20%
Eligible OECD Corporate Bonds	BBB	[100 - 140%]	[10% - 30%]	20%
Eligible OECD Convertible Bonds	A	[100 - 117%]	[10% - 30%]	20%
Eligible OECD Convertible Bonds	BBB	[100 - 140%]	[10% - 30%]	20%
Money Market Units (1)	UCITS IV	[100 - 110%]	100%	20%
CD's (eligible OECD and other eligible countries)	A	[100 - 107%]	[10% - 30%]	20%
Eligible indices & Single equities linked		[100% - 140%]	100%	20%
Securitization (2)		[100% - 132%]	100%	20%

(1) Only Money Markets funds managed by BNPP AM. Any other UCITS eligible only upon ad-hoc approval by BNPP AM Risk

(2) Subject to conditions and ad-hoc approval by BNPP AM Risk

### Applicable limits

#### (i) Limits applicable to non-cash collateral

In accordance with ESMA guidelines, non-cash collateral received by the Company should not be sold, re-invested or pledged.

Given the high quality of the acceptable collateral and the high quality nature of the selected counterparties, there is no maturity constraints applicable to the collateral received.

#### (ii) Limits applicable to cash collateral

Cash collateral received should only be:

- placed on deposit with entities prescribed in Section 1. paragraph f) of the Appendix 1;
- invested in high-quality government bonds;
- used for the purpose of reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the sub-fund is able to recall at any time the full amount of cash on accrued basis;
- invested in short-term money market funds as defined in the Guidelines on a Common Definition of European money market Funds.

#### (iii) Reuse of cash collateral

The Company may re-invest the cash it has received as collateral in the following eligible instruments:

- Money market UCIs (daily calculation and S&P AAA rating or equivalent);
- Short-term bank deposits;
- Money market instruments;
- Short-term bonds issued or guaranteed by a Member State of the European Union, Switzerland, Canada, Japan or the United States or by their local authorities or by supranational institutions and undertakings with EU, regional or world-wide scope;
- Bonds issued or guaranteed by first class issuers offering adequate liquidity, and

The financial assets other than bank deposit and units of UCIs that the Company has acquired by reinvesting the cash collateral must not be issued by an entity affiliated to the counterparty;

The financial assets acquired via the reinvestment of the cash collateral must not be kept with the counterparty, except if it is legally segregated from the counterparty's assets;

The financial assets acquired via the reinvestment of the cash collateral may not be pledged unless the Company has sufficient liquidities to be able to return the received collateral in the form of cash.

Reinvested cash collateral may lead to several risks such as currency exchange risk, counterparty risk, issuer risk, valuation and settlement risk, which can have an impact on the performance of the sub-fund concerned.

Exposures arising from the reinvestment of collateral received by the Company shall be taken into account within the diversification limits applicable under the Appendix 1.

#### *Criteria used to select Counterparties*

The Company will enter into transactions with counterparties which the Management Company believes to be creditworthy. They may be related companies at BNP Paribas Group. Counterparties will be selected by the Management Company with respect for the following criteria:

- leading financial institutions;
- sound financial situation;
- ability to offer a range of products and services corresponding to the requirements of the Management Company;
- ability to offer reactivity for operational and legal points;
- ability to offer competitive price and the quality of the execution. Approved counterparties are required to have a minimum rating of investment grade for OTC derivative counterparties provided however that credit quality assessment of counterparties does not rely only on external credit ratings. Alternative quality parameters are considered such as internal credit analysis assessment and liquidity and maturity of collateral selected. While there are no predetermined legal status or geographical criteria applied in the selection of the counterparties, these elements are typically taken into account in the selection process. Furthermore counterparties will comply with prudential rules considered by the CSSF as equivalent to EU prudential rules. The selected counterparties do not assume any discretion over the composition or management of the sub-funds' investment portfolios or over the underlying of the financial derivative instruments, and their approval is not being required in relation to any sub-fund investment portfolio transaction.

The Company's annual report contains details regarding:

- a) The list of appointed counterparties to efficient portfolio management techniques and OTC derivatives will be disclosed in the periodical reports of the Company.
- b) The identity of the issuer where collateral received has exceeded 20% of the assets of a sub-fund;
- c) whether a sub-fund has been fully collateralised.

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## APPENDIX 3 – INVESTMENT RISKS

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Potential investors are asked to read the prospectus carefully in its entirety before making an investment. Any investments may also be affected by changes relating to rules governing exchange rate controls, taxation and deductions at source, as well as those relating to economic and monetary policies.

Investors are also warned that sub-fund performance may not be in line with stated aims and that the capital they invest (after subscription commissions have been deducted) may not be returned to them in full.

Sub-funds are exposed to various risks that differ according to their investment policies. The main risks that sub-funds are likely to be exposed to are listed below.

Some sub-funds may be particularly sensitive to one or several specific risks which are increasing their risk profiles compared to sub-funds sensitive only to generic risk; in such case those risks are specifically mentioned in the Book II.

### **I. Specific risks mentioned in the KIIDs**

#### **Counterparty Risk**

This risk relates to the quality or the default of the counterparty with which the management company negotiates, in particular involving payment for/delivery of financial instruments and the signing of agreements involving forward financial instruments. This risk is associated with the ability of the counterparty to fulfil its commitments (for example: payment, delivery and reimbursement). This risk also relates to efficient portfolio management techniques and instruments.

#### **Credit Risk**

*This risk is present in each sub-fund having debt securities in its investment universe.*

This is the risk that may derive from the rating downgrade or the default of a bond issuer to which the sub-funds are exposed, which may therefore cause the value of the investments to go down. Such risks relate to the ability of an issuer to honour its debts.

Downgrades of an issue or issuer rating may lead to a drop in the value of bonds in which the sub-fund has invested.

Some strategies utilised may be based on bonds issued by issuers with a high credit risk (junk bonds).

Sub-funds investing in high-yield bonds present a higher than average risk due to the greater fluctuation of their currency or the quality of the issuer.

#### **Derivatives Risk**

In order to hedge (hedging derivative investments strategy), and/or to leverage the yield of the sub-fund (trading derivative investment strategy), the sub-fund is allowed to use derivative investments' techniques and instruments under the circumstances set forth in Appendices 1 and 2 of the prospectus (in particular, warrants on securities, agreements regarding the exchange of securities, rates, currencies, inflation, volatility and other financial derivative instruments, contracts for difference [CFDs], credit default swaps [CDSs], futures and options on securities, rates or futures).

The investor's attention is drawn to the fact that these financial derivative instruments may include leveraging. Because of this, the volatility of these sub-funds may be increased.

#### **Liquidity Risk**

*This risk may concern all financial instruments and impact one or several sub-funds.*

There is a risk that investments made by the sub-funds may become illiquid due to an over-restricted market (often reflected by a very broad bid-ask spread or by substantial price movements), if their "rating" declines or if the economic situation deteriorates; consequently, it may not be possible to sell or buy these investments quickly enough to prevent or minimize a loss in these sub-funds. Moreover, it may not be possible to sell or buy these investments.

### **II. Generic risks present in all sub-funds**

#### **Currency Exchange Risk**

*This risk is present in each sub-fund having positions denominated in currencies that differ from its reference currency.*

A sub-fund may hold assets denominated in currencies that differ from its reference currency, and may be affected by exchange rate fluctuations between the reference currency and the other currencies and by changes in exchange rate controls. If the currency in which a security is denominated appreciates in relation to the reference currency of the sub-fund, the exchange value of the security in the reference currency will appreciate; conversely, a depreciation of the denomination currency will lead to depreciation in the exchange value of the security.

When the manager is willing to hedge the currency exchange risk of a transaction, there is no guarantee that such operation will be completely effective.

#### **Inflation Risk**

*All types of investments are concerned by this risk.*

Over time, yields of short-term investments may not keep pace with inflation, leading to a reduction in an investment's purchasing power.

#### **Interest Rate Risk**

*This risk is present in each sub-fund having debt securities in its investment universe.*

The value of an investment may be affected by interest rate fluctuations. Interest rates may be influenced by several elements or events, such as monetary policy, the discount rate, inflation, etc.

The investor's attention is drawn to the fact that an increase in interest rates results in a decrease in the value of investments in bonds and debt instruments.

#### **Low Interest Rate Consequence**

*This risk is present in each sub-fund having debt securities in its investment universe.*

A very low level of interest rates may affect the return on short term assets held by monetary funds which may not be sufficient to cover management and operating costs leading to a structural decrease of the net asset value of the sub-fund.

#### **Taxation Risk**

*This is a generic risk.*

The value of an investment may be affected by the application of tax laws in various countries, including withholding tax, changes in government, economic, or monetary policy in the countries concerned. As such, no guarantee can be given that the financial objectives will actually be achieved.

### **III Additional Risks linked to OTC Derivatives (including TRS), SFT and collateral management**

#### **Efficient Portfolio Management Techniques Risks**

*This risk is present in each sub-fund using efficient portfolio management techniques.*

Efficient portfolio management techniques, such as securities lending, repurchase and reverse repurchase transactions, and particularly with respect to the quality of the collateral received / reinvested, may lead to several risks such as liquidity risk, counterparty risk, issuer risk, valuation risk and settlement risk, which can have an impact on the performance of the sub-fund concerned.

#### **Reverse Repurchase transactions Risk**

A sub-fund may enter into reverse repurchase agreements. If the other party to reverse repurchase agreement should default, the sub-fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities and/or other collateral held by the sub-fund in connection with the transaction are less than the repurchase price or, as the case may be, the value of the underlying securities. In addition, in the event of bankruptcy or similar proceedings of the other party to such agreement or its failure otherwise to perform its obligations on the repurchase date, the sub-fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the reverse repurchase agreement.

#### **Collateral management Risk**

Collateral may be engaged to mitigate the counterparty default risk, despite this there is a risk that the collateral taken, especially where it is in the form of securities, when realised does not raise sufficient cash to settle the counterparty's liability. This may be due to factors including inaccurate collateral pricing, adverse market movements in the value of collateral, a deterioration in the credit rating of the issuer of the collateral, or the illiquidity of the market in which the collateral is traded. Please also refer to "Liquidity Risk" above in respect of liquidity risk which may be particularly relevant where collateral takes the form of securities.

Where a sub-fund is in turn required to post collateral with a counterparty, there is a risk that the value of the collateral placed with the counterparty is higher than the cash or investments received by the sub-fund.

In either case, where there are delays or difficulties in recovering assets or cash, collateral posted with counterparties, or realising collateral received from counterparties, the sub-funds may face difficulties in meeting redemption or purchase requests or in meeting delivery or purchase obligations under other contracts.

As collateral will take the form of cash or certain financial instruments, the market risk is relevant. Collateral received by a sub-fund may be held either by the Depositary or by a third party depositary. In either case there may be a risk of loss where such assets are held in custody resulting from events such as the insolvency or negligence of a depositary or sub-depositary.

#### **Legal Risk**

There is a risk that agreements and derivatives techniques are terminated due, for instance, to bankruptcy, illegality, change in tax or accounting laws. In such circumstances, a sub-fund may be required to cover any losses incurred. Furthermore, certain transactions are entered into on the basis of complex legal documents. Such documents may be difficult to enforce or may be the subject to a dispute as to interpretation in certain circumstances. Whilst the rights and obligations of the parties to a legal document may be governed by Luxembourg law, in certain circumstances (insolvency proceedings) other legal systems may take priority which may affect the enforceability of existing transactions. The use of derivatives may also expose a sub-fund to the risk of loss resulting from changing laws or from the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

#### **Operational risk**

Investing in derivatives may include a counterparty breaching its obligations to provide collateral, or may include operational issues (such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty), there may be instances where a sub-fund's credit exposure to its counterparty under a derivative contract is not fully collateralised but each sub-fund will continue to observe the limits set out in Appendix I.

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## APPENDIX 4 – LIQUIDATION, MERGER, TRANSFER AND SPLITTING PROCEDURES

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### **Liquidation, Merger, Transfer and Splitting of Sub-funds**

The Board of Directors shall have sole authority to decide on the effectiveness and terms of the following, under the limitations and conditions prescribed by the Law:

- 1) either the pure and simple liquidation of a sub-fund;
- 2) or the closure of a sub-fund (merging sub-fund) by transfer to another sub-fund of the Company;
- 3) or the closure of a sub-fund (merging sub-fund) by transfer to another UCI, whether incorporated under Luxembourg law or established in another member state of the European Union;
- 4) or the transfer to a sub-fund (receiving sub-fund) a) of another sub-fund of the Company, and/or b) of a sub-fund of another collective investment undertaking, whether incorporated under Luxembourg law or established in another member state of the European Union, and/or c) of another collective investment undertaking, whether incorporated under Luxembourg law or established in another member state of the European Union;
- 5) or the splitting of a sub-fund.

The splitting techniques will be the same as the merger one foreseen by the Law.

As an exception to the foregoing, if the Company should cease to exist as a result of such a merger, the effectiveness of this merger must be decided by a General Meeting of Shareholders of the Company resolving validly whatever the portion of the capital represented. The resolutions are taken by a simple majority of the votes expressed. The expressed votes do not include those attached to the shares for which the shareholder did not take part in the vote, abstained or voted white or no.

To avoid any investment breach due to the merger, and in the interest of the shareholders, the investment manager might need to rebalance the portfolio of the Merging sub-fund before the merger. Such rebalancing shall be compliant with the investment policy of the Receiving sub-fund.

In the event of the pure and simple liquidation of a sub-fund, the net assets shall be distributed at the time of closure of the liquidation and at the latest between the eligible parties in proportion to the assets they own in said sub-fund. The assets not distributed within nine months of the date of the decision to liquidate shall be deposited with the Public Trust Office (*Caisse de Consignation*) until the end of the legally specified limitation period.

Pursuant to this matter, the decision adopted at the level of a sub-fund may be adopted similarly at the level of a category or a class.

### **Liquidation of a Feeder Sub-fund**

A Feeder sub-fund will be liquidated:

- a) when the Master is liquidated, unless the CSSF grants approval to the feeder to:
  - invest at least 85% of the assets in units, or shares of another Master; or
  - amend its investment policy in order to convert into a non Feeder.
- b) when the Master merges with another UCITS, or sub-fund or is divided into two or more UCITS, or sub-fund unless the CSSF grants approval to the feeder to:
  - continue to be a Feeder of the same Master or the Master resulting from the merger or division of the Master;
  - invest at least 85% of its assets in units, or shares of another Master; or
  - amend its investment policy in order to convert into a non Feeder.

### **Dissolution and Liquidation of the Company**

The Board of Directors may, at any time and for any reason whatsoever, propose to the General Meeting the dissolution and liquidation of the Company. The General Meeting will give its ruling in accordance with the same procedure as for amendments to the Articles of Association.

If the Company's capital falls below two-thirds of the minimum legal capital, the Board of Directors may submit the question of the Company's dissolution to the General Meeting. The General Meeting, for which no quorum is applicable, will decide based on a simple majority of the votes of shareholders present or represented, account shall not be taken of abstentions.

If the Company's capital falls below one-quarter of the minimum legal capital, the Board of Directors shall submit the question of the Company's dissolution to the General Meeting. The General Meeting, for which no quorum is applicable, will decide based on a part of one-quarter of the votes of shareholders present or represented, account shall not be taken of abstentions.

In the event of the Company's dissolution, the liquidation will be conducted by one or more liquidators that may be individuals or legal entities. They will be appointed by the General Shareholders' Meeting, which will determine their powers and remuneration, without prejudice to the application of the Law.

The net proceeds of the liquidation of each sub-fund, category, or class will be distributed by the liquidators to the shareholders of each sub-fund, category, or class in proportion to the number of shares they hold in the sub-fund, category, or class.

In the case of straightforward liquidation of the Company, the net assets will be distributed to the eligible parties in proportion to the shares held in the Company. Net assets not distributed at the time of closure of the liquidation and at the latest within a maximum period of nine months effective from the date of the liquidation will be deposited at the Public Trust Office (*Caisse de Consignation*) until the end of the legally specified limitation period.

The calculation of the net asset value, and all subscriptions, conversions and redemptions of shares in these sub-funds, categories, or classes will also be suspended throughout the liquidation period. The General Meeting must be held within forty days of the date on which it is ascertained that the Company's net assets have fallen below the minimum legal threshold of two-thirds or one-quarter, as applicable.



# BOOK II

# BNP Paribas InstiCash EUR

## **Investment objective**

BNP Paribas InstiCash EUR seeks to achieve a return in line with prevailing money market rates while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity.

## **Investment policy**

BNP Paribas InstiCash EUR is a short-term money market fund as defined by ESMA.

BNP Paribas InstiCash EUR invests in a diversified portfolio of money market instruments such as certificates of deposit, treasury bills, commercial papers and medium term notes issued in EUR.

The sub-fund also invests in reverse repurchase agreements with leading counterparties, as defined in this Prospectus. BNP Paribas InstiCash EUR may also hold up to 49% of its net assets in cash on an ancillary basis.

BNP Paribas InstiCash EUR may also use financial derivative instruments (interest rate swaps) for hedging purpose only. The impact of these financial derivative instruments will be taken into account for the calculation of the weighted average maturity (interest rate risk) of BNP Paribas InstiCash EUR. These financial derivative instruments will be used in line with the money market investment strategy of the sub-fund.

These investments must meet the following criteria:

### **Maturity**

BNP Paribas InstiCash EUR will only hold securities that, at the time of acquisition by the sub-fund, have an initial or residual maturity of up to 397 days, taking into account the related financial instruments or the applicable terms and conditions.

The maximum weighted average maturity (interest rate risk) of BNP Paribas InstiCash EUR will be 60 days.

The maximum weighted average life (credit risk) of BNP Paribas InstiCash EUR will be 120 days.

### **Minimum credit quality**

BNP Paribas InstiCash EUR invests in securities of high credit quality.

The Management Company performs its own documented assessment of the credit quality of issuers that allows it to consider a security as high quality.

The Management Company has in-house resources to assess the credit quality of the securities held by the fund. Security selection for the fund is not based exclusively or systematically on the ratings issued by credit rating agencies.

The use of external ratings contributes to the overall evaluation of the credit quality of an issuer or an issue. The Management Company uses this overall evaluation in order to define its own opinions with regard to security selection.

### **Investment funds**

The sub-fund will only invest in short-term money market funds as defined by ESMA up to an aggregate limit of maximum 10% of its net asset value.

### **Risk profile**

Specific sub-fund risks:

- Counterparty risk
- Derivative risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### **Investor type profile**

This sub-fund is suitable for investors who:

- o Are looking for a very low price volatility and high marketability;
- o Prioritise maintenance of the real value of invested capital;
- o Want to take minimal market risks

# BNP Paribas InstiCash EUR

## Accounting currency

EUR

## Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0167237543	No	EUR	None
Classic T1		LU0547770783			
Privilege	CAP	LU0167237972	No		
Privilege Distribution	DIS	LU0783284952	Yes Stable NAV		
Privilege T1	CAP	LU0783285090	No		
Privilege M Distribution	DIS	LU0957144719	Monthly		
I	CAP	LU0094219127	No		
I Distribution	DIS	LU0212992274	Yes Stable NAV		
IT1	CAP	LU0528984122	No		
I M Distribution	DIS	LU0957144636	Monthly		
X	CAP	LU0167238434	No		

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

## Fees and Costs

Category	Fees payable by the sub-fund				
	Management (maximum)	Performance	Distribution (maximum)	Other (maximum)	Taxe d'abonnement <sup>(1)</sup>
Classic	0.35%	No	None	0.35%	0.01%
Privilege	0.20%			0.10%	
I	0.15%			0.10%	None
X	None				

(1) In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

## Additional information

### Business Day

A Business Day is every day other than a Saturday or a Sunday with the exception of any day designated as a TARGET closing day\* by the European Central Bank, and any additional day determined by the Management Company.

**\*TARGET closing day:** a day on which no standing facilities would be available at the national central banks. These days will not be settlement days for the euro money market or for foreign exchange transactions involving the euro, and the euro overnight index average (EONIA) will not be published.

### Valuation Day

For each Business day, there is a corresponding NAV which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

### Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation days and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date <sup>(1)</sup>
14:30 CET on the NAV Valuation Day	Valuation Day (D)	Valuation Day (D)	On the Valuation Day except for the T1 (day after the valuation day)

(1) If the settlement day is a currency holiday, the settlement will occur the following business day.

## BNP Paribas InstiCash EUR

**Historical information:**

Sub-fund launched on 26 May 2006.

**Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

# BNP Paribas InstiCash USD

## **Investment objective**

BNP Paribas InstiCash USD seeks to achieve a return in line with prevailing money market rates while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity.

## **Investment policy**

BNP Paribas InstiCash USD is a short-term money market fund as defined by ESMA.

BNP Paribas InstiCash USD invests in a diversified portfolio of money market instruments such as certificates of deposit, treasury bills, commercial papers and medium term notes issued in USD.

The sub-fund also invests in reverse repurchase agreements with leading counterparties, as defined in this Prospectus.

BNP Paribas InstiCash USD may also hold up to 49% of its net assets in cash on an ancillary basis.

BNP Paribas InstiCash USD may also use financial derivative instruments (interest rate swaps) for hedging purpose only. The impact of these financial derivative instruments will be taken into account for the calculation of the weighted average maturity (interest rate risk) of BNP Paribas InstiCash USD. These financial derivative instruments will be used in line with the money market investment strategy of the sub-fund.

These investments must meet the following criteria:

### **Maturity**

BNP Paribas InstiCash USD will only hold securities that, at the time of the acquisition by the sub-fund, have an initial or residual maturity of up to 397 days, taking into account the related financial instruments or the applicable terms and conditions.

The maximum weighted average maturity (interest rate risk) of BNP Paribas InstiCash USD will be 60 days.

The maximum weighted average life (credit risk) of BNP Paribas InstiCash USD will be 120 days.

### **Minimum credit quality**

BNP Paribas InstiCash USD invests in securities of high credit quality.

The Management Company performs its own documented assessment of the credit quality of issuers that allows it to consider a security as high quality.

The Management Company has in-house resources to assess the credit quality of the securities held by the fund. Security selection for the fund is not based exclusively or systematically on the ratings issued by credit rating agencies.

The use of external ratings contributes to the overall evaluation of the credit quality of an issuer or an issue. The Management Company uses this overall evaluation in order to define its own opinions with regard to security selection.

### **Investment funds**

The sub-fund will only invest in short-term money market funds as defined by ESMA up to an aggregate limit of maximum 10% of its net asset value.

## **Risk profile**

Specific sub-fund risks:

- Counterparty risk
- Derivative risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

## **Investor type profile**

This sub-fund is suitable for investors who:

- o Are looking for a very low price volatility and high marketability;
- o Prioritise maintenance of the real value of invested capital;
- o Want to take minimal market risks

## **Accounting currency**

USD

# BNP Paribas InstiCash USD

## Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0167238863	No	USD	None
Classic T1		LU0783285413			
Privilege		LU0167239168			
Privilege T1		LU0783285256			
Privilege Distribution	DIS	LU0783285330	Yes Stable NAV		
Privilege M Distribution		LU0957144982	Monthly		
I	CAP	LU0090884072	No		
I Distribution	DIS	LU0212992357	Yes Stable NAV		
IT1	CAP	LU0783285173	No		
I M Distribution	DIS	LU0957144800	Monthly		
X	CAP	LU0167239598	No		

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

## Fees and Costs

Category	Fees payable by the sub-fund				Costs payable by the investors			
	Management (maximum)	Performance	Distribution (maximum)	Other (maximum)	Taxe d'abonnement <sup>(1)</sup>	Entry (max)	Conversion (max)	Exit (max)
Classic	0.35%	None	None	0.35%	0.01%	None		
Privilege	0.20%			0.10%				
I	0.15%			0.10%	None			
X	None							

<sup>(1)</sup> In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

## Additional information

### Business Day

A Business Day is every day other than a Saturday or a Sunday on which the Federal Reserve Bank of New York and the New York Stock Exchange are open, and any additional day determined by the Management Company.

### Valuation Day

For each Business day, there is a corresponding NAV which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

### Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation days and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date <sup>(1)</sup>
17:00 CET on the NAV Valuation Day	Valuation Day (D)	Valuation Day (D)	On the Valuation Day except for the T1 (day after the valuation day)

<sup>(1)</sup> If the settlement day is a currency holiday, the settlement will occur the following business day.

## BNP Paribas InstiCash USD

**Historical information:**

Sub-fund launched on 16 July 2008.

**Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

# BNP Paribas InstiCash GBP

## **Investment objective**

BNP Paribas InstiCash GBP seeks to achieve a return in line with prevailing money market rates while aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity.

## **Investment policy**

BNP Paribas InstiCash GBP is a short-term money market fund as defined by ESMA.

BNP Paribas InstiCash GBP invests in a diversified portfolio of money market instruments such as certificates of deposit, treasury bills, commercial papers and medium term notes issued in GBP.

The sub-fund also invests in reverse repurchase agreements with leading counterparties, as defined in this Prospectus.

BNP Paribas InstiCash GBP may also hold up to 49% of its net assets in cash on an ancillary basis.

BNP Paribas InstiCash GBP may also use financial derivative instruments (interest rate swaps) for hedging purpose only.

The impact of these financial derivative instruments will be taken into account for the calculation of the weighted average maturity (interest rate risk) of BNP Paribas InstiCash GBP. These financial derivative instruments will be used in line with the money market investment strategy of the sub-fund.

These investments must meet the following criteria:

### **Maturity**

BNP Paribas InstiCash GBP will only hold securities that, at the time of the acquisition by the sub-fund, have an initial or residual maturity of up to 397 days, taking into account the related financial instruments or the applicable terms and conditions.

The maximum weighted average maturity (interest rate risk) of BNP Paribas InstiCash GBP will be 60 days.

The maximum weighted average life (credit risk) of BNP Paribas InstiCash GBP will be 120 days.

### **Minimum credit quality**

BNP Paribas InstiCash GBP invests in securities of high credit quality.

The Management Company performs its own documented assessment of the credit quality of issuers that allows it to consider a security as high quality.

The Management Company has in-house resources to assess the credit quality of the securities held by the fund. Security selection for the fund is not based exclusively or systematically on the ratings issued by credit rating agencies.

The use of external ratings contributes to the overall evaluation of the credit quality of an issuer or an issue. The Management Company uses this overall evaluation in order to define its own opinions with regard to security selection.

### **Investment funds**

The sub-fund will only invest in short-term money market funds as defined by ESMA up to an aggregate limit of maximum 10% of its net asset value.

### **Risk profile**

#### **Specific sub-fund risks:**

- Counterparty risk
- Derivative risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### **Investor type profile**

This sub-fund is suitable for investors who:

- o Are looking for a very low price volatility and high marketability;
- o Prioritise maintenance of the real value of invested capital;
- o Want to take minimal market risks

### **Accounting currency**

GBP



# BNP Paribas InstiCash GBP

## Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0167236651	No	GBP	None
Classic T1		LU0547771328			
Privilege		LU0167236909			
Privilege T1		LU0783285686			
Privilege Distribution	DIS	LU0783285769	Yes Stable NAV		
Privilege M Distribution		LU0957145104	Monthly		
I	CAP	LU0090883421	No		
I Distribution	DIS	LU0212992787	Yes Stable NAV		
IT1	CAP	LU0783285504	No		
I M Distribution	DIS	LU0957145013	Monthly		
X	CAP	LU0167237113	No		

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

## Fees and Costs

Category	Fees payable by the sub-fund				
	Management (maximum)	Performance	Distribution (maximum)	Other (maximum)	Taxe d'abonnement <sup>(1)</sup>
Classic	0.35%	None	None	0.35%	0.01%
Privilege	0.20%			0.10%	
I	0.15%			0.10%	None
X	None				

(1) In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

## Additional information

### Business Day:

A Business Day is every day other than a Saturday or a Sunday on which the Bank of England and the London Stock Exchange are open, and any additional day determined by the Management Company.

### Valuation Day:

For each Business day of the week, there is a corresponding NAV which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

### Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on Valuation days and the time mentioned is Luxembourg time.

## BNP Paribas InstiCash GBP

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date <sup>(1)</sup>
14:00 CET on the NAV Valuation Day	Valuation Day (D)	Valuation Day (D)	On the Valuation Day except for the T1 (day after the valuation day)

*(1) If the settlement day is a currency holiday, the settlement will occur the following business day.*

**Historical information:**

Sub-fund launched on 19 April 2010.

**Taxation:**

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.

# BNP Paribas InstiCash Money 3M EUR

## **Investment objective**

BNP Paribas InstiCash Money 3M EUR seeks to achieve the best possible return in line with prevailing money market rates, over a 3-month period corresponding to the recommended investment horizon of the fund.

## **Investment policy**

BNP Paribas InstiCash Money 3M EUR is a money market fund as defined by ESMA.

BNP Paribas InstiCash Money 3M EUR invests in a diversified portfolio of high quality money market instruments such as certificates of deposit, treasury bills, commercial papers and medium term notes issued in EUR.

The sub-fund also invests in reverse repurchase agreements with leading counterparties, as defined in this Prospectus.

BNP Paribas InstiCash Money 3M EUR may also hold up to 49% of its net assets in cash on an ancillary basis.

BNP Paribas InstiCash Money 3M EUR may also use financial derivative instruments (interest rate swaps) for hedging or exposure purposes. The impact of these financial derivative instruments will be taken into account for the calculation of the weighted average maturity (interest rate risk) of BNP Paribas InstiCash Money 3M EUR. These financial derivative instruments will be used in line with the money market investment strategy of the sub-fund.

These investments must meet the following criteria:

### **Maturity**

BNP Paribas InstiCash Money 3M EUR will only hold securities that, at the time of acquisition by the sub-fund, have an initial or residual maturity of up to 2 years, taking into account the related financial instruments or the applicable terms and conditions. The time to next reset of these securities will not exceed 397 days.

The maximum weighted average maturity (interest rate risk) of BNP Paribas InstiCash Money 3M EUR will be 6 months.

The maximum weighted average life (credit risk) of BNP Paribas InstiCash Money 3M EUR will be 12 months. This will be calculated on the basis of the legal maturity unless the sub-fund holds a put option.

### **Minimum credit quality**

BNP Paribas InstiCash Money 3M EUR invests in securities of high credit quality.

The Management Company performs its own documented assessment of the credit quality of issuers that allows it to consider a security as high quality.

The Management Company has in-house resources to assess the credit quality of the securities held by the fund. Security selection for the fund is not based exclusively or systematically on the ratings issued by credit rating agencies.

The use of external ratings contributes to the overall evaluation of the credit quality of an issuer or an issue. The Management Company uses this overall evaluation in order to define its own opinions with regard to security selection.

### **Investment funds**

The sub-fund will only invest in funds which qualify as short-term money market funds or money market funds as defined by ESMA up to an aggregate limit of maximum 10% of its net asset value.

### **Risk profile**

Specific sub-fund risks:

- Counterparty risk
- Derivative risk

For an overview of generic risks, please refer to the Appendix 3 of Book I of the Prospectus.

### **Investor type profile**

This sub-fund is suitable for investors who:

- o Are looking for a very low price volatility and high marketability;
- o Prioritise maintenance of the real value of invested capital;
- o Want to take minimal market risks

### **Accounting currency**

EUR

# BNP Paribas InstiCash Money 3M EUR

## Share Categories

Category	Class	ISIN code	Dividend	Reference Currency	Other Valuation Currencies
Classic	CAP	LU0423950210	No	EUR	None
Classic T1		LU0547771674			
Privilege		LU0423950053			
Privilege T1		LU0547771757			
Privilege M Distribution	DIS	LU0957145369	Monthly		
I	CAP	LU0423949717	No		
IT1		LU0787647329			
I M Distribution	DIS	LU0957145286	Monthly		
X	CAP	LU0423950301	No		

All these share classes are not necessarily active. For each active class, a KIID is available which mentions, among other, the launch date, the reference/accounting currency and the historical performance. The KIIDs are available on the website [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

## Fees and Costs

Category	Fees payable by the sub-fund				
	Management (maximum)	Performance	Distribution (maximum)	Other (maximum)	Taxe d'abonnement <sup>(1)</sup>
Classic	0.35%	None	None	0.35%	0.01%
Privilege	0.20%			0.10%	
I	0.15%			0.10%	None
X	None				

<sup>(1)</sup> In addition, the Company may be subject to foreign UCI's tax, and/or other regulators levy, in the country where the sub-fund is registered for distribution.

## Additional information

### Valuation Day

For each day of the week on which banks are open for business in Luxembourg (a "Valuation Day"), there is a corresponding NAV which is dated the same day.

It is available at the Company's registered office, from local agents, and in any newspapers designated by the Board of Directors and the web site [www.bnpparibas-am.com](http://www.bnpparibas-am.com).

### Terms of subscription / conversion / redemption:

Subscription, redemption and conversion orders will be processed at an unknown net asset value in accordance with the rules set out below, only on trading days in Luxembourg, and the time mentioned is Luxembourg time.

Centralisation of orders	Orders Trade Date	NAV calculation and publication date	Orders Settlement Date <sup>(1)</sup>
14:30 CET on the NAV Valuation Day	Valuation Day (D)	Valuation Day (D)	On the Valuation Day except for the T1 (day after the valuation day)

<sup>(1)</sup> If the settlement day is a currency holiday, the settlement will occur the following business day.

### Historical information:

Sub-fund launched on 12 May 2009.

The sub-fund's name changed from BNP Paribas InstiCash EUR Government to BNP Paribas InstiCash Money 3M EUR on 2<sup>nd</sup> November 2012.

### Taxation:

Potential shareholders are recommended to seek full information in their country of origin, place of residence or domicile on the possible tax consequences associated with their investment.