Notice to the shareholders of

BNP PARIBAS QUAM FUND

Common Fund under Luxembourg law

Represented by

BNP PARIBAS ASSET MANAGEMENT Luxembourg

Société Anonyme

Registered Office: 10, rue Edward Steichen, L-2540 Luxembourg

Luxembourg Trade and Companies Register: No. B 27.605

Website: www.bnpparibas-am.com

AND

BNP Paribas L1

SICAV under Luxembourg law – UCITS class

Registered Office: 10, rue Edward Steichen, L-2540 Luxembourg

Luxembourg Trade and Companies Register: No. B 32.327

Website: www.bnpparibas-am.com

FOR THE SUB-FUNDS « SUSTAINABLE ACTIVE STABILITY »,

« SUSTAINABLE ACTIVE BALANCED » AND « SUSTAINABLE ACTIVE GROWTH »

MERGER EFFECTIVE AS OF FEBRUARY 14, 2019

Luxembourg, January 07, 2019,

Dear Shareholders,

We hereby inform you that the Boards of Directors of BNP PARIBAS ASSET MANAGEMENT Luxembourg, acting as Management Company of the Common Fund BNP Paribas Quam Fund in accordance with the provisions of Article 24 of the Management regulations of BNP Paribas Quam Fund,

and

The Board of Directors of BNP Paribas L1 in accordance with the provisions of Article 32 of its Articles of Association, (the **Funds**), decided to **merge** the following unit/share classes (the **Merger**):

BNP Paribas Quam Fund Merging Sub-fund				BNP Paribas L1 Receiving Sub-fund			
ISIN code	***Sub-fund***	***Class***	***Currency***	***Sub-fund***	***Class***	***Currency***	***ISIN code***
LU0236672407	Low Vol	Classic - CAP	EUR	Sustainable Active Stability	Classic Solidarity – CAP [(1)]	EUR	LU1056595637
LU0236673041		Classic - DIS	EUR		Classic Solidarity - DIS [(1)]	EUR	LU1056595710
LU0236673397	Medium Vol	Classic - CAP	EUR	Sustainable Active Balanced	Classic Solidarity - CAP [(1)]	EUR	LU1732371031
LU0236673470		Classic - DIS	EUR		Classic Solidarity - DIS [(1)]	EUR	LU1732371114
LU0848151444		Classic H USD - CAP	USD		Classic RH USD - CAP	USD	LU1480669818
LU0848151790		Classic H USD - DIS	USD		Classic RH USD - DIS	USD	LU1728555399
LU0848152095		Privilege - CAP	EUR		Privilege Solidarity – CAP [(1)]	EUR	LU1732778656
LU0236673637	High Vol	Classic - CAP	EUR	Sustainable Active Growth	Classic Solidarity - CAP [(1)]	EUR	LU1732371205
LU0236674015		Classic - DIS	EUR		Classic Solidarity - DIS [(1)]	EUR	LU1732371387
LU0236674106	Very High Vol	Classic - CAP	EUR		Classic Solidarity - CAP [(1)]	EUR	LU1732371205
LU0236674361		Classic - DIS	EUR		Classic Solidarity - DIS [(1)]	EUR	LU1732371387

(1) Specific fees for the appointed Charity (Belgian Red Cross). A Charity is a non-governmental organisation and/or other charitable organisations elected by the board of directors of BNP Paribas L1 which benefit from a part of fees and costs taken in the share categories of "Solidarity" type.

1) *Effective date of the Merger*

The Merger will be effective on **Thursday February 14, 2019**.

The first NAV with merged portfolios will be calculated on Monday February 18, 2019 into the Receiving Sub-funds and classes, on the valuation of the underlying assets set on Thursday February 14, 2019.

2) *Background to and rationale for the Merger*

In the light of the past performances of the Merging BNP Paribas Quam Fund sub-funds and the huge outflows observed every year since 2013, it has been decided to proceed with their merger. It has indeed been determined that the mathematic quantitative model used within BNP Paribas Quam Fund, together with the low level of volatility due to investment in Money Market funds, does not reach expectations for your own benefit.

On the contrary, the Receiving BNP Paribas L1 sub-funds have been reorganized in December 2017. In this scope, the active strategy of the Receiving BNP Paribas L1 sub-funds, together with higher levels of volatility triggering higher risks and therefore potential performances, are intended to generate better performances in the future.

As a consequence, the choice of BNP Paribas L1 as Receiving entity is linked to i) the potential forecast of performances to your benefit (taking into account that such forecast is not guaranteed), together with ii) the fact that the Merging and Receiving sub-funds have a flexible allocation of their portfolio, meaning that both can invest indirectly in a mix of assets through other UCITS and/or UCIs, provided that the Receiving sub-funds can also invest directly in such assets.

Warning:

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

3) *Impact of the Merger on the Merging Unitholders*

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

- ✓ The **last** subscription and redemption **orders** in the Merging sub-funds will be accepted until the cut-off time on **Thursday February 07, 2019**.

  Orders received after these cut-off times will be rejected.
- ✓ The unitholders of the Merging sub-funds, who will not make use of their redemption right explained below under point 8), will **become** shareholders of the Receiving sub-funds.
- ✓ As regards the merger of "Classic CAP/DIS" into "Classic Solidarity CAP/DIS" and "Privilege CAP" into "Privilege Solidarity CAP", and if the investor does not agree with the chosen charity (Belgian Red Cross) or the fact of contributing to charity fee, he can still request, until March 14, 2019, the conversion of its new shares into "Classic-CAP/DIS" or "Privilege CAP" without any charge.
- ✓ The **Merging** sub-funds will be **dissolved** without liquidation by a transfer of all of their assets and liabilities into the Receiving sub-funds.
- ✓ The Merging sub-funds will c**ease to exist** at the effective date of the **Merger**.
- ✓ The Common Fund **BNP Paribas Quam Fund** will be **dissolved** without liquidation following the Merger and will **cease to exist** at the effective date of the **Merger**.
- ✓ The investment strategies of the Receiving sub-funds are not the same as the ones of the Merging sub-funds as explained on point 6) for the differences between sub-funds. Consequently, the underlying assets of the Merging sub-funds shall be sold several days (in principle two business open days) before the Merger depending on the market conditions and in the best interest of the unitholders. The transaction costs associated with this rebalancing will be borne by BNP PARIBAS ASSET MANAGEMENT Luxembourg, the Management Company of the Merging and Receiving sub-funds (the Management Company).
- ✓ As any merger, this operation may involve a risk of performance dilution for the Merging unitholders, especially as consequence of the difference of strategy (explained under point 6).

4) *Impact of the Merger on the Receiving Shareholders*

Please note that the Merger will have **no impact** for the shareholders of the Receiving sub-funds.

5) *Organisation of the exchange of shares*

If you are a unitholder of the Merging sub-funds, you will receive, in the Receiving sub-funds, a **number of new shares** calculated by multiplying the number of unit you hold in the Merging sub-funds by the **exchange ratio**.

The **exchange ratio** will be **calculated** on Friday February 15, 2019 by dividing the net asset value (NAV) per unit of the Merging classes by the NAV per share of the Receiving classes, based on the valuation of the underlying assets set on Wednesday February 13, 2019.

For the calculation of the exchange ratio, the NAV of the "Classic RH USD" class of the "Sustainable Active Balanced" Receiving sub-fund, which shall be activated by the Merger, shall be set at 100.00 in their Reference Currency, except if this share class is activated before the merger.

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

Registered unitholders will receive registered shares.

Bearer unitholders will receive bearer shares.

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

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

Please note the **following differences** between BNP Paribas Quam Fund and BNP Paribas L1:

Features	BNP Paribas Quam Fund	BNP Paribas L1
Type of vehicle	Common Fund (Fonds Commun de Placement)	Open-ended investment company
Auditor	Ernst & Young	PricewaterhouseCoopers, société coopérative
Financial Year	From 1st October to 30th September	From 1st January to 31st December
Annual General Meeting	NA	25-Apr
Yearly Dividends payment date*	20-Jan	30-Apr
Voting rights of investors	No voting right	Voting right in any general meeting of the shareholders

* at the discretion of the Board of Directors and General Meeting of Shareholders

Please note the **following differences** between the Merging and Receiving sub-funds:

Features	BNP Paribas Quam Fund Low Vol	BNP Paribas L1 Sustainable Active Stability
Investment Manager	Edmond de Rothschild Asset Management (Suisse) S.A., an investment manager which is not part of the BNP PARIBAS ASSET MANAGEMENT group of companies	BNP PARIBAS ASSET MANAGEMENT Belgium, acting as asset allocator and as manager of the lines of funds in the portfolio, and BNP PARIBAS ASSET MANAGEMENT France, in charge of managing the pockets relating to shares and bonds
Investment objective	To provide its investors with the highest possible appreciation of capital invested while offering broad distribution of risk.	Increase the value of its assets over the medium term.
Investment policy	The sub-fund’s investment policy is to achieve an annual return of between -5% and +15% for unitholders while keeping the sub-fund’s average annual volatility at a maximum of 5%. It is possible that this objective may not be achieved, and no guarantee can be given in this respect. To this end, the sub-fund invests in capitalisation shares of UCITS in various currencies that are themselves intended to be invested primarily in equities and/or bonds and/or Money Market Instruments. The sub-fund may also manage foreign currencies and, in doing so, make use of the financial techniques and instruments described in Appendix 2. Purchase and sale decisions are based on a quantitative model. The allocation and choice of assets are established on the basis of the modelling results and prevailing market conditions. This management style may involve a volume of transactions greater than normal and a portfolio turnover rate of between 500% and 1,000% per year, without generating additional revenue for the manager. As the transactions stem from the quantitative management model, the Fund shall not be suspected of using market timing practices. With a view to protecting unitholders, the sub-fund may invest all its assets in capitalisation shares of monetary UCITS. The sub-fund's risk is closely linked to the percentages invested in the various	This sub-fund invests directly or indirectly (through UCITS, UCIs,or ETFs) bonds or shares of issuers that comply with the sustainable development criteria that cover environmental and social responsibility and governance (ESG criteria), applying a SRI (Sustainable & Responsible Investments) filter, as well as in financial derivative instruments on these assets. The sub-fund will have 50% minimum exposure to fixed income. The Fixed Income bucket will mainly invest in euro-denominated issuers whose practices, products and services are assessed on the basis of specific ESG criteria. Regarding the Equity bucket, the sub-fund will invest directly or indirectly (through UCITS, UCIs, or ETFs): - either in issuers whose products and services contribute to resolving problems linked to the environment and sustainable development (thematic approach); - or in issuers with the best ESG practices within their sector via selective approaches such as positive (or “Best in Class”) and negative (or by “exclusion”). These filters aim to select companies from all sectors who demonstrate best practices using ESG criteria. The sub-fund may use financial derivative instruments both for hedging and trading (investment) purposes, within the limits defined in Appendix 2 of Book I

	asset classes (equities, bonds, cash) and the objective in terms of degree of volatility. After hedging, the sub-fund's exposure to currencies other than the euro may not exceed 5%. Cash held on an ancillary and temporary basis will not bear interest.	of the Prospectus. Under normal market conditions, the sub-fund will aim to reach its performance objectives by maintaining the below asset class weightings: - Equity: 25% - Bonds: 75% For effective portfolio management, the manager may deviate significantly from those weightings based on market conditions and his forecasts (the equity exposure may vary from 0% to maximum 50%).
Specific Market Risks	• Credit Risk • Liquidity Risk	• Credit Risk • Liquidity Risk • Counterparty Risk • Derivatives Risk • Small Cap, Specialised or Restricted Sectors Risk
Investor Type Profile	This sub-fund is suitable for investors who: ✓ Are looking for a diversification of their investments through exposure to a range of asset classes, globally; ✓ Can accept low to medium market risks.	
Summary of differences for: • Investment policies • Investment Strategy • Asset Allocation	**Investment policies**: the investment policy of the merging sub-fund states a "risk & return" target in its investment policy via investments in shares of UCITS that are themselves intended to be invested in a mix of shares, bonds and money market instruments. On the other hand, the investment policy of the receiving sub-fund is focused on the SRI (Best-in-Class & Thematic) approach through direct and/or indirect investments in bonds or shares; **Investment Strategy**: the received sub-fund's strategy is to directly or indirectly invest in bonds or shares of issuers complying with sustainable development criteria with a thematic approach, which is not the case of the merging sub-fund. In addition, the merging sub-fund uses a mathematic quantitative model, compared to an active strategy in the receiving sub-fund. **Asset Allocation**: In addition to the mix of underlying assets, the merging sub-fund can invest 100% of its assets in shares of monetary UCITS when volatility increases. The receiving sub-fund, on the other hand, has asset-class weighting target for Fixed Income & Equity and is limited (limits stated in the investment policy) in its leeway to deviate from these weights.	

Costs payable by investors • Entry • conversion • exit	 maximum 2.50% maximum 1.25% none	 maximum 3.00% 0.05% for the Charities and max.2.95% for placing agents. The cost remains acquired for the Charities even if the placing agents give up their own commission. maximum 1.50% none
OCR including Management Charity Other Indirect Fee Advisory Fee	2.45% maximum 1.35% NA maximum 0.255% maximum 3.00% maximum 0.15%	1.67% (estimation as at 15-Jun-2018) maximum 1.05% 0.05% maximum 0.35% maximum 0.50% NA
Performance Fee*	15% of the positive difference between the annual performance of the sub-fund and the hurdle rate (EONIA with a maximum of 6%) + 1%	NA
NAV Cycle • Centralisation • Trade Date • NAV calculation and publication date • Settlement Date	 D-1 D D+2 Maximum D+3	 D-1 D D+2 D+4
SRI (Best-in-class & Thematic) approach	NA	Yes
Volatility objectives	Yes	NA
Type of Management	Quantitative	Active

SRRI (3), Risk management process (Commitment Approach), flexible allocation of the portfolio and **any other characteristic** not included in the above table **are the same** in both Merging and Receiving sub-funds.

* The performance fee calculation will be effected until the last NAV (NAV 13 February 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers.

Features	BNP Paribas Quam Fund Medium Vol	BNP Paribas L1 Sustainable Active Balanced
Investment Manager	Edmond de Rothschild Asset Management (Suisse) S.A., an investment manager which is not part of the BNP PARIBAS ASSET MANAGEMENT group of companies	BNP PARIBAS ASSET MANAGEMENT Belgium, acting as asset allocator of the sub-fund, and BNP PARIBAS ASSET MANAGEMENT UK Limited, which will manage the FOREX only
Investment objective	To provide investors with the highest possible appreciation of the capital	Increase the value of its assets over the medium term.

	invested while offering broad distribution of risk.	
Investment policy	The sub-fund's investment policy is to achieve an annual return of between -10% and +25% for unitholders while maintaining the sub-fund's average annual volatility at a maximum of 10%. The statistical probability of achieving this objective is 95%. It is possible that this objective may not be achieved, and no guarantee can be given in this respect. To this end, the sub-fund invests in capitalisation shares of UCITS in various currencies that are themselves intended to be invested primarily in equities and/or bonds and/or Money Market Instruments. The sub-fund may also manage foreign currencies and, in doing so, make use of the financial techniques and instruments described in Appendix 2. Purchase and sale decisions are based on a quantitative model. The allocation and choice of assets are established on the basis of the modelling results and prevailing market conditions. This management style may involve a volume of transactions greater than normal and a portfolio turnover rate of between 500% and 1,000% per year, without generating additional revenue for the manager. As the transactions stem from the quantitative management model, the Fund shall not be suspected of using market timing practices. With a view to protecting unitholders, the sub-fund may invest all its assets in capitalisation shares of monetary UCITS. The sub-fund's risk is closely linked to the percentages invested in the various asset classes (equities, bonds, cash) and the objective in terms of degree of volatility. After hedging, the sub-fund's exposure to currencies other than the euro may not exceed 5%. Cash held on an ancillary and temporary basis will not bear interest.	This sub-fund invests directly or indirectly (through UCITS, UCIs or ETFs) bonds or shares of issuers that comply with the sustainable development criteria that cover environmental and social responsibility and governance (ESG criteria), applying a SRI (Sustainable & Responsible Investments) filter, as well as in financial derivative instruments on these assets. The sub-fund will have 25% minimum exposure to fixed income. The Fixed Income bucket will mainly invest in euro-denominated issuers whose practices, products and services are assessed on the basis of specific ESG criteria. Regarding the Equity bucket, the sub-fund will invest directly or indirectly (through UCITS, UCIs or ETFs): - either in issuers whose products and services contribute to resolving problems linked to the environment and sustainable development (thematic approach); - or in issuers with the best ESG practices within their sector via selective approaches such as positive (or "Best in Class") and negative (or by "exclusion"). These filters aim to select companies from all sectors who demonstrate best practices using ESG criteria. The sub-fund may use financial derivative instruments both for hedging and trading (investment) purposes, within the limits defined in Appendix 2 of Book I of the Prospectus. Under normal market conditions, the sub-fund will aim to reach its performance objectives by maintaining the below asset class weightings: - Equity: 50% - Bonds: 50% For effective portfolio management, the manager may deviate significantly from those weightings based on market conditions and his forecasts (the equity exposure may vary from 25% to maximum 75%).
Specific Market Risks	• Credit Risk • Liquidity Risk	• Credit Risk • Liquidity Risk • Counterparty Risk • Derivatives Risk • Small Cap, Specialised or Restricted Sectors Risk
Investor Type Profile	This sub-fund is suitable for investors who: ✓ Are looking for a diversification of their investments through exposure to a range of asset classes, globally; ✓ Can accept low to medium market risks.	
Summary of differences for: • Investment policies • Investment Strategy • Asset Allocation	**Investment policies**: the investment policy of the merging sub-fund states a "risk & return" target in its investment policy via investments in shares of UCITS that are themselves intended to be invested in a mix of shares, bonds and money market instruments. On the other hand, the investment policy of the receiving sub-fund is focused on the SRI (Best-in-Class & Thematic) approach through direct and/or indirect investments in bonds or shares; **Investment Strategy**: the received sub-fund's strategy is to directly or indirectly invest in bonds or shares of issuers complying with sustainable development criteria with a thematic approach, which is not the case of the merging sub-fund. In addition, the merging sub-fund uses a mathematic quantitative model, compared to an active strategy in the receiving sub-fund.	

	Asset Allocation: In addition to the mix of underlying assets, the merging sub-fund can invest 100% of its assets in shares of monetary UCITS when volatility increases. The receiving sub-fund, on the other hand, has asset-class weighting target for Fixed Income & Equity and is limited (limits stated in the investment policy) in its leeway to deviate from these weights.	
Costs payable by investors • Entry • Conversion • exit	 maximum 2.50% maximum 1.25% none	 maximum 3.00% 0.05% for the Charities and max.2.95% for placing agents. The cost remains acquired for the Charities even if the placing agents give up their own commission (for Classic Solidarity and Privilege Solidarity only) maximum 1.50% none
« Classic » class (E)OCR including Management Charity Other Indirect Fee Advisory Fee	 2.63% maximum 1.35% NA maximum 0.255% maximum 3.00% maximum 0.15%	 2.07% (31-Mar-2018) maximum 1.30% (maximum 1.25% for Classic Solidarity) 0.05% (for Classic Solidarity) maximum 0.35% maximum 1.00% NA
« Privilege » class (E)OCR including Management Charity Other Indirect Fee Advisory Fee	 1.88% maximum 0.60% NA maximum 0.255% maximum 3.00% maximum 0.15%	 1.22% (15-Mar-2018) maximum 0.60% 0.05% maximum 0.20% maximum 1.00% NA
Performance Fee*	15% of the positive difference between the annual performance of the sub-fund and the hurdle rate (EONIA with a maximum of 6%) + 2%	NA
NAV Cycle • Centralisation • Trade Date • NAV calculation and publication date Settlement Date	 D-1 D D+2 Maximum D+3	 D-1 D D+2 D+4
SRI (Best-in-class & Thematic) approach	NA	Yes
Volatility objectives	Yes	NA
Type of Management	Quantitative	Active

SRRI (4), Risk management process (Commitment Approach), flexible allocation of the portfolio and **any other characteristic** not included in the above table **are the same** in both Merging and Receiving sub-funds.

* The performance fee calculation will be effected until the last NAV (NAV 13 February 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers.

Features	BNP Paribas Quam Fund High Vol	BNP Paribas L1 Sustainable Active Growth
Investment Manager	Edmond de Rothschild Asset Management (Suisse) S.A., an investment manager which is not part of the BNP PARIBAS ASSET MANAGEMENT group of companies	BNP PARIBAS ASSET MANAGEMENT Belgium
Investment objective	To provide investors with the highest possible appreciation of the capital invested while offering broad distribution of risk.	Increase the value of its assets over the medium term.
Investment policy	The sub-fund's investment policy is to achieve an annual return of between -15% and +40% for unitholders while maintaining the sub-fund's average annual volatility at a maximum of 15%. The statistical probability of achieving this objective is 95%. It is possible that this objective may not be achieved, and no guarantee can be given in this respect. To this end, the sub-fund invests in capitalisation shares of UCITS in various currencies that are themselves intended to be invested primarily in equities and/or bonds and/or Money Market Instruments. The sub-fund may also manage foreign currencies and, in doing so, make use of the financial techniques and instruments described in Appendix 2. Purchase and sale decisions are based on a quantitative model. The allocation and choice of assets are established on the basis of the modelling results and prevailing market conditions. This management style may involve a volume of transactions greater than normal and a portfolio turnover rate of between 500% and 1,000% per year, without generating additional revenue for the manager. As the transactions stem from the quantitative management model, the Fund shall not be suspected of using market timing practices. With a view to protecting unitholders, the sub-fund may invest all its assets in capitalisation shares of monetary UCITS. The sub-fund's risk is closely linked to the percentages invested in the various asset classes (equities, bonds, cash) and the objective in terms of degree of volatility. After hedging, the sub-fund's exposure to currencies other than the euro may not exceed 5%. Cash held on an ancillary and temporary basis will not bear interest.	This sub-fund invests directly or indirectly (through UCITS, UCIs or ETFs) bonds or shares of issuers that comply with the sustainable development criteria that cover environmental and social responsibility and governance (ESG criteria), applying a SRI (Sustainable & Responsible Investments) filter, as well as in financial derivative instruments on these assets. The sub-fund will have 50% minimum exposure to equity. The Fixed Income bucket will mainly invest in euro-denominated issuers whose practices, products and services are assessed on the basis of specific ESG criteria. Regarding the Equity bucket, the sub-fund will invest directly or indirectly (through UCITS, UCIs or ETFs): - either in issuers whose products and services contribute to resolving problems linked to the environment and sustainable development (thematic approach); - or in issuers with the best ESG practices within their sector via selective approaches such as positive (or "Best in Class") and negative (or by "exclusion"). These filters aim to select companies from all sectors who demonstrate best practices using ESG criteria. The sub-fund may use financial derivative instruments both for hedging and trading (investment) purposes, within the limits defined in Appendix 2 of Book I of the Prospectus. Under normal market conditions, the sub-fund will aim to reach its performance objectives by maintaining the below asset class weightings: - Equity: 75% - Bonds: 25% For effective portfolio management, the manager may deviate significantly from those weightings based on market conditions and his forecasts (the equity exposure may vary from 50% to maximum 100%).
Specific Market Risks	• Credit Risk • Liquidity Risk	• Credit Risk • Liquidity Risk • Counterparty Risk

		• Derivatives Risk • Small Cap, Specialised or Restricted Sectors Risk
Investor Type Profile	This sub-fund is suitable for investors who: - Are looking for a diversification of their investments through exposure to a range of asset classes, globally; - Are willing to accept higher market risks in order to potentially generate higher long-term returns; - Can accept significant temporary losses; - Can tolerate medium to high volatility.	This sub-fund is suitable for investors who: - Are looking for a diversification of their investments through exposure to a range of asset classes, globally; - Are willing to accept medium market risks.
Summary of differences for: • Investment policies • Investment Strategy • Asset Allocation	**Investment policies**: the investment policy of the merging sub-fund states a "risk & return" target in its investment policy via investments in shares of UCITS that are themselves intended to be invested in a mix of shares, bonds and money market instruments. On the other hand, the investment policy of the receiving sub-fund is focused on the SRI (Best-in-Class & Thematic) approach through direct and/or indirect investments in bonds or shares; **Investment Strategy**: the received sub-fund's strategy is to directly or indirectly invest in bonds or shares of issuers complying with sustainable development criteria with a thematic approach, which is not the case of the merging sub-fund. In addition, the merging sub-fund uses a mathematic quantitative model, compared to an active strategy in the receiving sub-fund. **Asset Allocation**: In addition to the mix of underlying assets, the merging sub-fund can invest 100% of its assets in shares of monetary UCITS when volatility increases. The receiving sub-fund, on the other hand, has asset-class weighting target for Fixed Income & Equity and is limited (limits stated in the investment policy) in its leeway to deviate from these weights.	
Costs payable by investors • Entry • Conversion • exit	 maximum 2.50% maximum 1.25% none	 maximum 3.00% 0.05% for the Charities and max.2.95% for placing agents. The cost remains acquired for the Charities even if the placing agents give up their own commission. maximum 1.50% none
OCR including Management Charity Other Indirect Fee Advisory Fee	2.70% maximum 1.35% NA maximum 0.255% maximum 3.00% maximum 0.15%	2.23% (estimation as at 15-Jun-2018) maximum 1.35% 0.05% maximum 0.35% maximum 1.00% NA
Performance Fee*	15% of the positive difference between the annual performance of the sub-fund and the hurdle rate (EONIA with a maximum of 6%) + 3%.	NA

NAV Cycle • Centralisation • Trade Date • NAV calculation and publication date Settlement Date	 D-1 D D+2 Maximum D+3	 D-1 D D+2 D+4
SRI (Best-in-class & Thematic) approach	NA	Yes
Volatility objectives	Yes	NA
Type of Management	Quantitative	Active

SRRI (5), Risk management process (Commitment Approach), flexible allocation of the portfolio and **any other characteristic** not included in the above table **are the same** in both Merging and Receiving sub-funds.

* The performance fee calculation will be effected until the last NAV (NAV 13 February 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers.

Features	BNP Paribas Quam Fund Very High Vol	BNP Paribas L1 Sustainable Active Growth
Investment Manager	Edmond de Rothschild Asset Management (Suisse) S.A., an investment manager which is not part of the BNP PARIBAS ASSET MANAGEMENT group of companies	BNP PARIBAS ASSET MANAGEMENT Belgium
Investment objective	To provide investors with the highest possible appreciation of the capital invested while offering broad distribution of risk.	Increase the value of its assets over the medium term.

Investment policy	The sub-fund's investment policy is to achieve an annual return of between -25% and +60% for unitholders while maintaining the sub-fund's average annual volatility at a maximum of 25%. The statistical probability of achieving this objective is 95%. It is possible that this objective may not be achieved, and no guarantee can be given in this respect. To this end, the sub-fund invests in capitalisation shares of UCITS in various currencies that are themselves intended to be invested primarily in equities and/or bonds and/or Money Market Instruments. The sub-fund may also manage foreign currencies and, in doing so, make use of the financial techniques and instruments described in Appendix 2. The purchase and sale decisions are based on a quantitative model. The allocation and choice of assets are established on the basis of the modelling results and prevailing market conditions. This management style may involve a volume of transactions greater than normal and a portfolio turnover rate of between 500% and 1000% per year, without generating additional revenue for the manager. As the transactions stem from the quantitative management model, the Fund shall not be suspected of using market timing practices. With a view to protecting unitholders, the sub-fund may invest all its assets in capitalisation shares of monetary UCITS. The sub-fund's risk is closely linked to the percentages invested in the various asset classes (equities, bonds, cash) and the objective in terms of degree of volatility. After hedging, the sub-fund's exposure to currencies other than the euro may not exceed 5%. Cash held on an ancillary and temporary basis will not bear interest.	This sub-fund invests directly or indirectly (through UCITS, UCIs or ETFs) bonds or shares of issuers that comply with the sustainable development criteria that cover environmental and social responsibility and governance (ESG criteria), applying a SRI (Sustainable & Responsible Investments) filter, as well as in financial derivative instruments on these assets. The sub-fund will have 50% minimum exposure to equity. The Fixed Income bucket will mainly invest in euro-denominated issuers whose practices, products and services are assessed on the basis of specific ESG criteria. Regarding the Equity bucket, the sub-fund will invest directly or indirectly (through UCITS, UCIs or ETFs): - either in issuers whose products and services contribute to resolving problems linked to the environment and sustainable development (thematic approach); - or in issuers with the best ESG practices within their sector via selective approaches such as positive (or "Best in Class") and negative (or by "exclusion"). These filters aim to select companies from all sectors who demonstrate best practices using ESG criteria. The sub-fund may use financial derivative instruments both for hedging and trading (investment) purposes, within the limits defined in Appendix 2 of Book I of the Prospectus. Under normal market conditions, the sub-fund will aim to reach its performance objectives by maintaining the below asset class weightings: - Equity: 75% - Bonds: 25% For effective portfolio management, the manager may deviate significantly from those weightings based on market conditions and his forecasts (the equity exposure may vary from 50% to maximum 100%).
Specific Market Risks	• Credit Risk • Liquidity Risk	• Credit Risk • Liquidity Risk • Counterparty Risk • Derivatives Risk • Small Cap, Specialised or Restricted Sectors Risk
Investor Type Profile	This sub-fund is suitable for investors who: - Are looking for a diversification of their investments through exposure to a range of asset classes, globally; - Are willing to accept higher market risks in order to potentially generate higher long-term returns; - Can accept significant temporary losses; - Can tolerate medium to high volatility.	This sub-fund is suitable for investors who: - Are looking for a diversification of their investments through exposure to a range of asset classes, globally; - Are willing to accept medium market risks.
Summary of differences for: • Investment policies • Investment Strategy	**Investment policies**: the investment policy of the merging sub-fund states a "risk & return" target in its investment policy via investments in shares of UCITS that are themselves intended to be invested in a mix of shares, bonds and money market instruments. On the other hand, the investment policy of the receiving sub-fund is focused on the SRI (Best-in-Class & Thematic) approach through direct and/or indirect investments in bonds or shares; **Investment Strategy**: the received sub-fund's strategy is to directly or indirectly invest in bonds or shares of issuers complying with sustainable development	

• Asset Allocation	criteria with a thematic approach, which is not the case of the merging sub-fund. In addition, the merging sub-fund uses a mathematic quantitative model, compared to an active strategy in the receiving sub-fund. **Asset Allocation**: In addition to the mix of underlying assets, the merging sub-fund can invest 100% of its assets in shares of monetary UCITS when volatility increases. The receiving sub-fund, on the other hand, has asset-class weighting target for Fixed Income & Equity and is limited (limits stated in the investment policy) in its leeway to deviate from these weights.	
Costs payable by investors • Entry • Conversion • exit	 maximum 2.50% maximum 1.25% none	 maximum 3.00% 0.05% for the Charities and max.2.95% for placing agents. The cost remains acquired for the Charities even if the placing agents give up their own commission. maximum 1.50% none
OCR including Management Charity Other Indirect Fee Advisory Fee	2.74% maximum 1.35% NA maximum 0.255% maximum 3.00% maximum 0.15%	2.23% (estimation as at 15-Jun-2018) maximum 1.35% 0.05% maximum 0.35% maximum 1.00% NA
Performance Fee*	15% of the positive difference between the annual performance of the sub-fund and the hurdle rate (EONIA with a maximum of 6%) + 4%.	NA
SRRI	6	5
NAV Cycle • Centralisation • Trade Date • NAV calculation and publication date Settlement Date	 D-1 D D+2 Maximum D+3	 D-1 D D+2 D+4
SRI (Best-in-class & Thematic) approach	NA	Yes
Volatility objectives	Yes	NA
Type of Management	Quantitative	Active

Risk management process (Commitment Approach), flexible allocation of the portfolio and **any other characteristic** not included in the above table **are the same** in both Merging and Receiving sub-funds.

* The performance fee calculation will be effected until the last NAV (NAV 13 February 2019). If performance is observed, the performance fee will be crystallised and paid to the investment managers.

7) *Tax Consequences*

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

In accordance with the European Directive 2011/16 the Luxembourg authorities will report to the tax authorities in your state of residence the total gross proceeds from the exchange of shares in application of the Merger.

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

8) *Right to redeem the shares*

Your options:

- ✓ Should you approve the Merger, you do **not need** to take any action,
- ✓ Should you not approve the Merger, you have the possibility to request the redemption of your units/shares free of charge until the cut-off time, on **Thursday February 07, 2019**,
- ✓ In case of **any question**, please contact our **Client Service (+ 352 26 46 31 21 / AMLU.ClientService@bnpparibas.com)**.

9) *Other information*

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

The Merger operation will be validated by Ernst & Young, the auditor of BNP Paribas Quam Fund.

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

The Annual and Semi-Annual Report and the legal documents of the Funds, as well as the KIIDs of the Merging and Receiving sub-funds, and the Custodian and the Auditor reports regarding this operation are available with the Management Company. The KIID of the Receiving sub-funds is also available on the website www.bnpparibas-am.com where you are invited to acquaint with it.

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

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

Best regards,

The Boards of Directors