



BNP PARIBAS
ASSET MANAGEMENT

PROSPECTUS

BNP PARIBAS SELECT

SICAV WITH SUB-FUNDS

SICAV COVERED BY EUROPEAN DIRECTIVE 2009/65/EC

ADDITIONAL INFORMATION FOR INVESTORS IN THE FEDERAL REPUBLIC OF GERMANY

BNP Paribas Asset Management Belgium, Zweigniederlassung Frankfurt, 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 Paris, 9, rue du Débarcadère, 93500 Pantin (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 management regulations 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.

The issue, redemption and conversion prices, the net asset value as well as any notices to investors are also available from the Paying Agent. In addition, the issue and redemption prices are published on www.bnpparibas-am.de.

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

In addition, communications to investors in the Federal Republic of Germany will be made available 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.

BNP PARIBAS SELECT

I – GENERAL CHARACTERISTICS

I.1 – Form of the UCITS

■ **Name:** BNP PARIBAS SELECT

■ **Legal form:** French open-ended investment company (*Société d'investissement à capital variable*, hereinafter the “SICAV”) with its registered office at 1, boulevard Haussmann, 75009 Paris, registered in the Trade and Companies Register under no. 453 711 624.

■ **Launch date:** 3 June 2004.

■ **Intended lifetime:** 99 years.

■ **Fund overview:**

- **SUB-FUND: BNP PARIBAS OBLISELECT GLOBAL HIGH YIELD 2019**

■ **Launch date:** 18 November 2013.

Share categories	ISIN codes	Appropriation of distributable sums	Base currency	Initial net asset value	Minimum investment	Target subscribers
“Classic” share category, “C” class	FR0011585546	Net income: Accumulation Net realised capital gains: Accumulation	EUR	EUR 100	Initial subscription: 1 share Subsequent subscriptions: 1 share	All subscribers
“Classic” share category, “D” class	FR0011585553	Net income: Distribution Net realised capital gains: Accumulation	EUR	EUR 100	Initial subscription: 1 share Subsequent subscriptions: 1 share	All subscribers
“I” share category	FR0011585579	Net income: Accumulation/ Distribution Net realised capital gains: Accumulation	EUR	EUR 10,000	Initial subscription: 1 share Subsequent subscriptions: 1 share	All subscribers, but in particular legal entities.

- **SUB-FUND: BNP PARIBAS SUSTAINABLE BOND EURO SHORT TERM**

- **Launch date:** 13 October 2016.

Share categories	ISIN codes	Appropriation of distributable sums	Base currency	Initial net asset value	Minimum initial investment	Target subscribers
Classic share category, "C" class	FR0013176336	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	one thousandth of a share or the equivalent amount in euros	All subscribers
Classic share category, "D" class	FR0013176344	Net income: Distribution Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	one thousandth of a share or the equivalent amount in euros	All subscribers
Privilege share category, "C" class	FR0013176351	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	Initial subscription: EUR 50,000*	All subscribers.
					Subsequent subscriptions: one thousandth of a share	For subscribers advised by independent advisers as defined by MiFID II (1) and managed under mandate
Privilege share category "D" class	FR0013176369	Net income: Distribution Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	Initial subscription: EUR 50,000*	All subscribers.
					Subsequent subscriptions: one thousandth of a share	For subscribers advised by independent advisers as defined by MiFID II (1) and managed under mandate

I share category, "C" class	FR0013176377	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	EUR 1,000,000*	All subscribers. Particularly intended for legal entities and institutional investors.
I share category, "D" class	FR0013176385	Net income: Distribution Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	EUR 1,000,000*	All subscribers. Particularly intended for legal entities and institutional investors.
X share category	FR0013176401	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	one thousandth of a share	Reserved for feeder funds of BNP PARIBAS Group management companies.
R share category, "C" class	FR0013286226	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	one thousandth of a share	Reserved for BNPP Fortis Private Banking**
R share category, "D" class	FR0013286234	Net income: Distribution Net realised capital gains: Distribution	EUR	See "Initial net asset value" section	one thousandth of a share	Reserved for BNPP Fortis Private Banking**
R Plus share category	FR0013286242	Net income: Distribution Net realised capital gains: Distribution	EUR	See "Initial net asset value" section	EUR 50,000*	Reserved for BNPP Fortis Private Banking**

* This minimum subscription does not apply to BNP PARIBAS Group entities.

** With the exception of the management company or any entity of the BNP PARIBAS Group.

(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFID 2004/39.

- **SUB-FUND: BNP PARIBAS PRE2MIUM**

■ **Launch date:** 16 June 2017

ISIN codes	Allocation of distributable income	Base currency	Initial net asset value	Minimum subscription amount	Target investors
FR0013249422	Net income: Accumulation and/or distribution Net realised capital gains: Accumulation and/or distribution	EUR	€100	Initial subscription: 1 thousandth of a share or the equivalent in euros Subsequent subscriptions: 1 thousandth of a share or the equivalent in euros	All investors

■ **Where to obtain the latest annual and semi-annual reports:**

The latest annual reports and the composition of the assets will be sent to shareholders within eight business days upon written request by the shareholder to:
BNP PARIBAS ASSET MANAGEMENT France - Client Services Department
 TSA 47000 – 75318 Paris Cedex 09

I-2 Directory

■ **Financial, administrative and accounting management delegated to:**

BNP PARIBAS ASSET MANAGEMENT France

Société par Actions Simplifiée (simplified joint stock company) with its registered office at 1, boulevard Haussmann, 75009 Paris, postal address: TSA 47000, 75318 Paris CEDEX 09.

Portfolio management company approved by the AMF on 19 April 1996 under no. GP 96002

■ **Investment management delegated to:**

BNP PARIBAS ASSET MANAGEMENT UK LIMITED

Registered office: 5 Aldermanbury Square London EC2V 7BP
 Portfolio Management Company approved by the Financial Conduct Authority.

This investment management delegation affects all assets held in the BNP PARIBAS OBLISELECT GLOBAL HIGH YIELD 2019 sub-fund.

It also concerns the management of the residual liquidity of the BNP PARIBAS PRE2MIUM sub-fund.

The Fund is managed in accordance with the ethical rules applicable to fund management, in accordance with the statutory provisions relating to UCIs and with the Prospectus.

■ **Delegated financial manager by sub-delegation:**

BNP PARIBAS ASSET MANAGEMENT USA, INC
200 Park Avenue, 11th floor, NY, NY 10166

The sub-delegation concerns the BNP PARIBAS OBLISELECT GLOBAL HIGH YIELD 2019 sub-fund only and relates to the portion invested in corporate bonds denominated in US dollars and in forward financial instruments to secure or enhance the management of such exposure.

■ **Custodian:**

BNP Paribas Securities Services

Société en Commandite par Actions (partnership limited by shares) with its registered office at 3, rue d'Antin, 75002 Paris, postal address: Grands Moulins de Pantin, 9 rue du Débarcadère, 93500 Pantin.

Credit institution authorised by France's Prudential Control and Resolution Authority (ACPR).

The duties of the depositary are: custody of the assets, checking that the management company's decisions are lawful, and monitoring liquidity flows in relation to the SICAV. Potential conflicts of interest may exist, particularly if BNP Paribas Securities Services has a commercial relationship with the management company in addition to its role as depositary for the SICAV. This may be the case if BNP Paribas Securities Services provides fund administration services to the SICAV, including calculation of the net asset value.

In countries where it has no local presence, the depositary delegates the custody of assets held abroad to local sub-custodians. The remuneration of sub-custodians is levied from the fees paid to the depositary and no additional costs are charged to shareholders for this function. The process for appointing and overseeing sub-custodians conforms to the highest quality standards, including the management of potential conflicts of interest that could arise in connection with such assignments. The list of sub-custodians is available at the following address: <http://securities.bnpparibas.com/solutions/asset-fund-services/depositary-bank-and-trustee-serv.html>

Up-to-date information concerning the points above will be sent from the management company to shareholders on written request.

■ **Custodian and institution in charge of centralising subscriptions and redemptions by delegation and of the issuer account-keeping services by delegation:**

BNP Paribas Securities Services

■ **Statutory auditor:**

PricewaterhouseCoopers Audit, 63 rue de Villiers, 92200 Neuilly sur Seine,

■ **Promoter:**

BNP Paribas, *Société anonyme* (public limited company) with its registered office at 16 boulevard des Italiens, 75009 Paris, and companies within the BNP Paribas group.

The SICAV's shares are listed on Euroclear France, so they may be subscribed or redeemed through financial intermediaries not known to the management company.

■ **Delegate:**

Accounting management by sub-delegation:

BNP Paribas Securities Services
Société en Commandite par Actions (partnership limited by shares)
Registered office: 3 rue d'Antin – 75002 Paris
Office address: Grands Moulins de Pantin
9, rue du Débarcadère, 93500 Pantin

The appointed fund accountant is responsible for the administration of the UCITS (accounting, net asset value calculations).

■ **Board of Directors of the SICAV:**

Investors are invited to consult the SICAV's annual report for information on the identity and functions of the members of the Board of Directors and the other offices they hold. This information is prepared under the responsibility of each member of the Board of Directors and is updated each year.

II – MANAGEMENT AND ADMINISTRATION PROCEDURES

II-1 General characteristics:

■ **Characteristics of the shares:**

- Nature of the rights attached to the shares: each shareholder holds rights on the company's capital pro rata to the number of shares they hold in the SICAV.
- Liabilities are managed by BNP Paribas Securities Services. The shares of the SICAV are registered with Euroclear France.
- All shares are fully paid up, have no nominal value and confer no preferential or preemptive rights.
- Voting rights: The SICAV's shares confer voting rights. Each of the SICAV's shares confer the right to one vote at general shareholder meetings, in accordance with French law and with the SICAV's articles of association.
- All shares of the BNP PARIBAS OBLISELECT GLOBAL HIGH YIELD 2019 sub-fund are in bearer form. Each share may be divided into hundredths.
- All shares of the BNP PARIBAS SUSTAINABLE BOND EURO SHORT TERM sub-fund are in administered registered, pure registered or bearer form. Each share may be divided into thousandths.
- Any share of the BNP PARIBAS PRE2MIUM sub-fund may take the following forms: administered registered or bearer. Each share may be divided into thousandths.

■ **Year-end:**

Last trading day on the Paris Stock Exchange in December.

End of the sub-fund's first financial year BNP PARIBAS OBLISELECT GLOBAL HIGH YIELD 2019: last trading day of the month of December 2013.

End of the sub-fund's first financial year BNP PARIBAS SUSTAINABLE BOND EURO SHORT TERM: last trading day of the month of December 2016.

End of the sub-fund's first financial year BNP PARIBAS PRE2MIUM: last trading day of the month of December 2017.

■ **Tax regime:**

In accordance with European directive 2003/48/EC of 3 June 2003 on the taxation of savings income in the form of interest payments, the SICAV invests more than 25% of its assets in debt and similar products.

This prospectus does not seek to summarise the related tax consequences, for each investor, of subscribing, redeeming, holding or selling the SICAV's shares. These consequences will vary in accordance with the laws and practices in force in the bearer's country of residence, domicile or incorporation as well as their personal situation.

Investors are required to inform themselves and, if necessary, to seek any appropriate advice from their tax advisor as to the tax consequences that may arise as a result of subscribing, redeeming, holding or selling the SICAV's shares under the laws applicable in the bearer's country of residence, domicile or incorporation.

The SICAV is not subject to corporation tax in France. In accordance with the principle of transparency, the tax authorities treat the bearer as a directly holder of a fraction of the financial instruments and cash held in the SICAV. Holders of the SICAV's shares are liable for tax on capital gains or losses.

The tax treatment applicable to unrealised or realised capital gains or losses recorded by the SICAV depends on the tax treatment applicable to the investor's specific situation and/or in force in the country in which the SICAV invests. In other countries, capital gains realised on sales of transferable securities and income from foreign sources paid to the SICAV in the course of its operations may be subject to tax. Foreign taxes may, under certain conditions, be reduced or waived pursuant to international tax agreements.

II-2 Specific provisions:

Sub-fund: BNP PARIBAS OBLISELECT GLOBAL HIGH YIELD 2019

■ **Classification:** International bonds and other debt securities

■ **Investment objective:**

The sub-fund's investment objective is to profit from the attractive yields offered by corporate bonds rated speculative grade (high yield). The sub-fund seeks to generate (but does not guarantee) a net annualised performance of 3% to 5% over the bonds' expected carry period, i.e. in the five years to 31 March 2019.

After 31 March 2019, if market conditions permit and subject to approval by the AMF, the sub-fund's investment strategy will be extended for a new carry period.

Otherwise, the sub-fund will be dissolved or merged into another UCITS, subject to approval by the AMF.

■ **Benchmark index:**

The sub-fund has no benchmark index because the management process is based on a selection of securities through fundamental criteria, to the exclusion of any criterion of inclusion in a market index. The investment objective is not reflected exactly by any existing benchmark.

■ **Investment strategy:**

1. STRATEGY USED TO ACHIEVE THE MANAGEMENT OBJECTIVE:

The sub-fund will be managed according to a thorough investment process based on the management company's internal research. The fund manager makes decisions regarding the selection of issuers in each sector and the choice of maturities of the securities held in the sub-fund.

As of 20 January 2014, the sub-fund's investment strategy will be based mainly on a "carry"-type strategy (purchase of securities to be held in the portfolio until maturity). The fund manager nevertheless reserves the right to actively manage the portfolio by selling a security, purchasing a new security or hedging a risk in order to safeguard the portfolio's expected performance. However, the sub-fund will therefore have a low rotation rate. The securities held in the portfolio will have a maturity of less than or equal to 31 March 2019.

During its marketing period, i.e. between 18 November 2013 and 17 January 2014, the sub-fund will be managed free of charge in monetary terms.

The marketing period for the sub-fund will begin on 18 November 2013 and end on 17 January 2014, at 11:00, but may however be closed early should the amount of assets within the sub-fund reach EUR 250 million.

Upon maturity, i.e. subsequent to 31 March 2019, the sub-fund will be converted into a money market sub-fund subject to approval by the AMF.

As the sub-fund is not intended to be marketed after 17 January 2014, the sub-fund will cease to issue shares from 17 January 2014 after 11:00, preventing any further subscription.

Any exit from the sub-fund before the recommended investment period is permitted but not recommended as it may lead to the application of redemption fees.

2. MAIN ASSET CLASSES USED (EXCLUDING EMBEDDED DERIVATIVES):

The sub-fund's portfolio is composed of the following asset classes and financial instruments:

- **Equities**

The sub-fund may hold up to 10% of its net assets in shares of companies of all sectors and all market capitalisations issued on the international stock markets.

- **Debt securities and money market instruments**

From 20 January 2014, the sub-fund will be exposed mainly and in the amount of up to 100% of its net assets to bonds, denominated in euro, US dollar and pound sterling, at a fixed, adjustable or variable rate, issued by private companies.

At the time of purchase, these securities must have obtained a minimum rating of B- (Standard & Poor's), B3 (Moody's) or B- (Fitch).

In the event of a discrepancy between the "issue" ratings of the agencies, the highest rating shall be used. If the issue is not rated by any of the three agencies, the equivalent "issuer" ratings shall be used.

In the event of a discrepancy between the "issuer" ratings of the agencies, the highest rating shall be used.

Should the rating of securities held in the portfolio be downgraded to below this minimum rating, the management company may hold these securities to maturity. To meet any potential default risk, the management company reserves the possibility of selling its position and reinvesting it.

The sub-fund may also hold up to 33% of its net assets in euro-denominated money market instruments, with no limitations in terms of geographic region or rating, issued by private companies or governments in the period preceding the sub-fund's last year.

The sub-fund's modified duration shall range between 0 and 5.

Modified duration range	The sub-fund is managed within a modified duration range of 0 to 5.
Geographic region of issuers of securities to which the sub-fund has exposure	The sub-fund will be exposed in the amount of up to 100% of its net assets in bonds, notably North American and European bonds.
Currency risk	Maximum 5% of the net assets
Currency of denomination of securities in which the sub-fund is invested	Euro, US dollar and pound sterling

However, during the sub-fund's last year (2019), as bonds are gradually redeemed, the sub-fund may invest more in higher-rated bonds and money market instruments until the sub-fund's final maturity.

- **UNITS OR SHARES OF INVESTMENT FUNDS**

During the sub-fund's marketing period, i.e. between 18 November 2013 and 17 January 2014, the sub-fund may invest up to 100% of its net assets in units or shares of French and/or European funds, classified as money market and short term money market funds.

Between 18 January and 31 March 2019, the sub-fund may invest up to 10% of its net assets in units or shares of French and/or European funds, classified as money market and short term money market funds,

to manage its cash; and/or for diversification purposes via funds applying a fixed income or money market investment policy.

All the funds and investment funds are managed by BNP PARIBAS ASSET MANAGEMENT France or related companies.

3. DERIVATIVES:

The sub-fund may invest on French and/or foreign regulated or OTC forward markets in France authorised by the decree of 6 September 1989 and any amendments thereto (only for financial instruments).

In these markets, the sub-fund may make use of the following instruments:

For exposure purposes, the sub-fund may use:

- interest rate futures and credit default swaps in order to gain exposure to changes in interest rates or to a credit issuer.

For hedging purposes, the sub-fund may use:

- currency options, currency futures, forward currency contracts (hedging the currency risk for the following currencies: EUR, USD and GBP).

The Fund will not use total return swaps.

Investments denominated in US dollar and/or pound sterling are systematically hedged in euro.

Hedging and/or exposure transactions are executed within the limits of 100% of the sub-fund's net assets. Exposure to credit default swaps may not exceed 100% of the sub-fund's net assets.

These transactions in financial instruments may be concluded with counterparties selected by the delegated financial manager; these counterparties may be companies that are connected to the BNP Paribas Group.

Eligible counterparties have no authority over the composition or management of the SICAV's portfolio.

4. SECURITIES WITH EMBEDDED DERIVATIVES:

None.

5. DEPOSITS:

None

6. CASH BORROWINGS:

In the normal course of operations, the sub-fund may temporarily become overdrawn and need to borrow cash, up to a limit of 10% of its net assets.

7. TEMPORARY PURCHASES AND SALES OF SECURITIES:

The sub-fund may use repurchase or reverse repurchase contracts as well as securities borrowing transactions in accordance with the French Monetary and Financial Code, for the purposes of optimising its income and performance.

Such transactions may be carried out to a value of 100% of the sub-fund's net assets.

These transactions will be entered into with counterparties selected by the management company from among those institutions whose registered office is located in an OECD or European Union member country that are referred to in R. 214-19 of the French Monetary and Financial Code. They may be conducted with companies affiliated to the BNP Paribas Group. The counterparties must have a good credit rating (equivalent to Investment Grade).

Additional information on temporary purchases and sales of securities is given in the "Expenses and Fees" section.

8. INFORMATION RELATING TO THE UCI'S COLLATERAL:

In order to protect the fund against counterparty default, temporary purchases and sales of securities, as well as transactions on OTC derivative instruments, may give rise to the provision of collateral in the form of securities and/or cash, held by the custodian in segregated accounts.

The eligibility of these listed securities is determined in accordance with the investment constraints and according to a discount procedure determined by the delegated financial manager's risk departments. The securities received as collateral must be very liquid and capable of being transferred quickly on the market. The securities received from a single issuer may not exceed 20% of the net assets of the sub-fund (with the exception of securities issued or guaranteed by an eligible OECD member state, in which case this limit may be increased to 100%, provided that this 100% is distributed among six issues, none of which represents more than 30% of the Fund's net assets). They must be issued by an entity that is independent of the counterparty.

Assets
Cash (EUR, USD and GBP)
Fixed income products
Securities issued or guaranteed by eligible OECD Member States. As a guarantee, the sub-fund may receive more than 20% of its net asset value in securities issued or guaranteed by eligible OECD Member States. The SICAV may thus be fully guaranteed by securities issued or guaranteed by a sole eligible OECD Member State.
Supranational securities and securities issued by government agencies
Securities issued or guaranteed by a state within another eligible country
Debt securities and bonds issued by a company whose registered office is located in an eligible OECD country
Convertible bonds issued by a company whose registered office is located in an eligible OECD country
Units or shares of money market UCITS (1)
MMI (money market instruments) issued by companies whose registered office is located in an eligible OECD country or another eligible country. <i>(1) Only UCITS managed by BNP PARIBAS ASSET MANAGEMENT HOLDING.</i>
Eligible indices & related shares
Securitisations (2) <i>(2) subject to the agreement of the BNP PARIBAS ASSET MANAGEMENT France risk department</i>

Collateral other than in cash should not be sold, reinvested or pledged as security and is held by the custodian in a segregated account.

Financial guarantees received in cash may be reinvested in accordance with AMF position no. 2013-06. In this way, the cash received can be placed on deposit, invested in investment grade government bonds, used in reverse repurchase operations, or invested in short-term money market UCITS.

■ Financial guarantee:

In addition to the guarantees referred to paragraph 8, the SICAV provides a guarantee on its assets (securities and cash) in favour of the depositary as part of its financial obligations to this party.

■ Risk profile:

The risk category of the BNP Paribas Obliselect Global High Yield 2019 sub-fund is determined using the “Market Fund” calculation method, as defined by the European Securities and Markets Authority.

Your money shall be invested primarily in financial instruments selected by the Management Company. These financial instruments are subject to the evolution and fluctuations of the market.

The sub-fund is a UCITS categorised as “International bonds and other debt securities”. Investors are therefore exposed to the following risks:

- Risk of capital loss: Risk of capital loss results from a loss when selling a share at a price below that paid at the time of purchase. Shareholders do not benefit from any guarantee with respect to the recovery of the capital invested. The occurrence of this risk could decrease the net asset value of the sub-fund.
- Interest rate risk: By virtue of its composition, the sub-fund is subject to interest rate risk. Fixed income markets move in the opposite direction to interest rates. The net asset value will fall if interest rates rise. The impact of a variation in interest rates is measured by the “duration” criterion of the

sub-fund, in this instance within a range of 0 to 5. The modified duration measures the potential impact on the sub-fund's net asset value of a 1% variation in interest rates. Thus, a modified duration of 5 means that for a 1% increase in interest rates, the sub-fund's net asset value will fall by 5%.

- Credit risk: Part of the portfolio may be invested in corporate bonds and other securities issued by private issuers. Credit risk is the risk of the borrower's default. The sub-fund is consequently exposed to the risk of a payment default with respect to the securities of certain issuers. If one of the issuers of securities held in the portfolio posts a decline in its financial situation, this will prompt the sub-fund's net asset value to fall.
- Risk related to investment in high yield securities: The sub-fund must be viewed as partly speculative, and is particularly intended for investors who are aware of the risks inherent in investments in securities with a low rating or no rating at all. The use of high yield securities therefore exposes the sub-fund to the risk of sharper declines in net asset value.
- Counterparty risk: this risk is linked to the conclusion of futures contracts (see the "Derivatives" section above) or temporary purchases/sales of securities in the event that a counterparty with whom a contract has been concluded cannot meet its commitments (e.g. payment, redemption), potentially resulting in a fall of the sub-fund's net asset value.
- Incidental equity risk for up to 10% of net assets: This type of market can fluctuate sharply, both upward and downward. If these markets fall, the sub-fund's net asset value may fall.
- Incidental currency risk for up to 5% of net assets: it is linked to a fall in the currencies in which the financial instruments used by the sub-fund are listed, which may have a negative impact on the net asset value. As currency hedging cannot be perfect, a residual risk (5%) may remain.
- Risk of potential conflicts of interest: this risk is related to temporary purchases and sales of securities: during which the sub-fund's counterparty and/or financial intermediary is an entity associated with the group to which the sub-fund's delegated financial manager belongs.
- Risks linked to total return swaps and collateral management: Shareholders may be exposed to a legal risk (linked to legal documentation, the enforcement of contracts and the limits thereof) and to a risk associated with the reuse of cash received as collateral, as the net asset value of the sub-fund may change in line with fluctuations in the value of the securities acquired by investing the cash collateral received. In exceptional market circumstances, shareholders may also be exposed to liquidity risk, which may, for example, make it difficult to trade certain securities.

■ **Target subscribers and investor profile:**

"Classic" share categories: All subscribers. The sub-fund may be used as a vehicle for life insurance and/or investment-type life insurance policies in units of account.

"I" share category: All subscribers; intended mainly for legal entities.

This sub-fund is intended for investors seeking bond yield over the recommended investment period. The amount that is reasonable to invest in this sub-fund depends on each investor's personal situation. Investors should base this on their personal assets and current and future needs over an investment horizon of five years, but also on their willingness to take risks or, on the contrary, to invest cautiously. Investors are also strongly advised to sufficiently diversify their investments so as not to be exposed solely to the risks of this sub-fund.

Information relating to US investors:

The management company is not registered as an investment adviser in the United States.

The SICAV is not registered as an investment vehicle in the United States and its shares are not and will not be registered under the Securities Act of 1933, and as such they cannot be offered or sold to Restricted Persons, as defined below.

A Restricted Person is (i) any person or entity situated in United States territory (including United States residents), (ii) any corporation or any other entity under the laws of the United States or of one of its States, (iii) any military personnel of the United States or any personnel connected to a department or agency of the US Government situated outside the territory of the United States, or (iv) any other person who might be considered a U.S. Person as defined in Regulation S under the Securities Act of 1933, as amended.

Furthermore, the SICAV's shares may not be offered or sold to employee benefit plans or to entities whose assets make up employee benefit plans, regardless of whether they are subject to the provisions of the United States Employee Retirement Income Securities Act of 1974, as amended.

FATCA clause:

In accordance with the provisions of the Foreign Account Tax Compliance Act ("FATCA") applicable from 1 July 2014, when the SICAV invests directly or indirectly in US assets, the income from these investments is likely to be subject to withholding tax of 30%.

To avoid payment of the 30% withholding tax, France and the United States have entered into an intergovernmental agreement under which the non-US financial institutions ("foreign financial institutions") undertake to implement a procedure for identifying direct or indirect investors who are US taxpayers and to convey certain information about these investors to the French tax authorities, which will inform the US tax authority ("Internal Revenue Service").

The SICAV, in its capacity as foreign financial institution, undertakes to comply with FATCA and to take any steps in line with the aforementioned intergovernmental agreement.

AUTOMATIC EXCHANGE OF INFORMATION (AEOD):

In order to comply with regulations on the Automatic Exchange of Information (AEOD), the SICAV may be required to gather and disclose information on its shareholders to third parties, including the tax authorities, to be passed on to the relevant jurisdictions. This information may include (but is not limited to) the identity of shareholders and of their direct or indirect beneficiaries, end beneficiaries and controlling persons. Shareholders will be required to comply with any request from the SICAV to provide such information in order that the SICAV can comply with its reporting obligations.

For any information relating to their particular situation, shareholders should consult an independent tax adviser.

■ Method for determining and allocating distributable income:

- For the "Classic" share category, "C" class:

Allocation of net income: accumulation. The SICAV has opted for accumulation. Net income shall be fully accumulated each year.

Allocation of net capital gains realised: accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

- For the "Classic" share category, "D" class:

Allocation of net income: distribution. The SICAV has opted for distribution. Net income shall be fully distributed each year.

Allocation of net capital gains realised: accumulation The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

- For the “I” share category:

Allocation of net income accumulation and/or distribution. The SICAV reserves the right to accumulate and/or to distribute all or part of the income, or to retain the net income.

Allocation of net capital gains realised: accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

Interest is accounted for using the interest received method.

Interest and coupons will be reinvested for accumulation shares and paid out in full or partially for distribution shares.

■ Distribution schedule:

Annual.

■ Characteristics of the shares:

Share categories	ISIN codes	Appropriation of distributable sums	Base currency	Initial net asset value	Minimum investment	Target subscribers
“Classic” share category, “C” class	FR0011585546	Net income: Accumulation Net realised capital gains: accumulation	EUR	EUR 100	Initial subscription: 1 share Subsequent subscriptions: 1 share	All subscribers
“Classic” share category, “D” class	FR0011585553	Net income: Distribution Net realised capital gains: accumulation	EUR	EUR 100	Initial subscription: 1 share Subsequent subscriptions: 1 share	All subscribers
“I” share category	FR0011585579	Net income: Accumulation/ Distribution Net realised capital gains: accumulation	EUR	EUR 10,000	Initial subscription: 1 share Subsequent subscriptions: 1 share	All subscribers, but in particular legal entities.

■ Subscription and redemption procedures:

Subscription and redemption requests are centralised by BNP Paribas Securities Services no later than 11:00 the day prior to the net asset value calculation day. The closing prices used will be those of the net asset value date or, failing that, the most recent.

Share settlement and delivery are processed within a maximum of five business days.

- Subscription requests may be for an amount, for a whole number of shares or for a fraction of a share, as each share is divided into hundredths.

- Redemption requests may be for a whole number of shares or for a fraction of a share, as each share is divided into hundredths.

NB: Subscriptions will be definitively suspended from 17 January 2014 at 11:00.

The sub-fund's net asset value is calculated daily, with the exception of Saturdays, Sundays, French public holidays and days on which the French markets and large-value payment systems are closed (official Euronext calendar).

The net asset value before a non-business period (weekends and holidays) takes into account the accrued interest for this period. It is dated at the last day of the non-business period.

■ **Expenses and fees:**

Maximum subscription and redemption fee:

Subscription and redemption fees increase the subscription price paid by the investor and reduce the redemption price. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing and disinvesting the assets under management. Fees not paid to the sub-fund are paid to the financial manager, the promoter, etc.

Expenses payable by the investor, deducted from the subscriptions and redemptions	Basis	Rate/scale
Subscription fee not payable to the sub-fund	net asset value × number of shares	2% maximum up to 17 January 2014
Subscription fee payable to the sub-fund	net asset value × number of shares	None
Redemption fee not payable to the sub-fund	net asset value × number of shares	None
Redemption fee payable to the sub-fund	net asset value × number of shares	1% maximum from 20 January 2014

Charges invoiced to the sub-fund:

These fees cover financial management fees that are specific to the financial manager, administrative management fees external to the delegated financial manager and maximum indirect fees (management fees and charges).

Part of the fees invoiced to the sub-fund may also be intended to pay the distributor(s) of the sub-fund in respect of their advisory and investment activities (in France, 28% to 65% depending on the distributor and the type of share).

The following fees may be charged in addition:

- outperformance fees. These reward the delegated financial manager company if the sub-fund exceeds its performance objectives;
- transaction fees;

Charges invoiced to the sub-fund:	Basis	Rate scale
Financial management fee	Net assets	After 11:00 on 20 January 2014: “Classic” share categories: Maximum 1.10% (inclusive of tax) “T” share category: Maximum 0.40% (inclusive of tax) Until 11:00 on 17 January 2014: None
Administrative management fees external to the delegated financial manager (inclusive of tax)	Net assets	“Classic” share categories: Maximum 0.10% (inclusive of tax) “T” share category: Maximum 0.10% (inclusive of tax)
Maximum indirect expenses	Net assets per year net of trailer fees paid to the sub-fund	0.20% maximum (inclusive of tax) up to 17 January 2014
Transaction fees	Payment on each transaction	None
Outperformance fee	Net assets	None

ADDITIONAL INFORMATION CONCERNING TEMPORARY PURCHASES AND SALES OF SECURITIES:

If securities borrowings are carried out, this type of transaction is executed under market conditions through the Agent services of BNP Paribas Securities Services, also acting as custodian of the SICAV and entity related to the management company. The proceeds (net of the Agent’s fees, amounting to 20% of income paid) on securities borrowing transactions are retained in full by the SICAV. The Agent’s fees are used to cover all operational and administrative costs/expenses related to these transactions.

If transactions involving repurchase and/or reverse repurchase agreements are carried out, the proceeds of these transactions are retained in full by the SICAV. Operational costs/expenses related to these repurchase and/or reverse repurchase agreements are not invoiced to the SICAV, these operational costs/expenses being borne in full by the delegated financial manager.

Succinct description of the procedure for selecting intermediaries:

Monitoring of the relationship between BNP PARIBAS ASSET MANAGEMENT France and its financial intermediaries is subject to a set of official procedures, organised by a specialist team that reports to the Chief Investment Officer and the Head of Risk Management.

All new business relationships are subject to an approval procedure with the aim of minimising counterparty default risk in transactions involving financial instruments traded on regulated or organised markets (money market instruments, bonds and interest rate derivatives, as well as physical shares and equity derivatives). The criteria used in the counterparty selection procedure are as follows: The ability to offer competitive intermediary costs, quality of order execution, pertinence of research services offered to users, availability to discuss and explain analyses, ability to offer a range of products and services (whether broad or specialised) that meets BNP PARIBAS ASSET MANAGEMENT France’s requirements, ability to optimise the administrative processing of transactions. The weighting allocated to each criterion depends on the nature of the investment process in question.

Sub-fund: BNP PARIBAS SUSTAINABLE BOND EURO SHORT TERM

ISIN CODES:

“Classic” share categories:

- C class: FR0013176336
- D class: FR0013176344

“Privilege” share categories:

- C class: FR0013176351
- D class: FR0013176369

“T” share categories

- C class: FR0013176377
- D class: FR0013176385

“X” share category: FR0013176401

“R” share categories

- C class: FR0013286226
- D class: FR0013286234

“R Plus” share category: FR0013286242

CLASSIFICATION: Bonds and other debt securities denominated in euro

INVESTMENT OBJECTIVE:

The sub-fund’s investment objective is to seek, over a minimum investment horizon of one year, to outperform (net of management fees) the money market benchmark index, the EONIA (Euro Overnight Index Average), by investing in securities whose issuers integrate socially responsible investment criteria as defined below in their operations.

BENCHMARK INDEX:

The benchmark index is the EONIA (Euro Overnight Index Average). The EONIA is the reference money market rate in the eurozone. It is calculated as a weighted average of interbank transactions from a panel of banks in the eurozone. It is available on the Bloomberg “EONIA Index” page.

INVESTMENT STRATEGY:

1. STRATEGY USED TO ACHIEVE THE INVESTMENT OBJECTIVE:

The investment strategy is based on active management building on fundamental and disciplined stock selection, combining non-financial research, financial research and quantitative analysis.

The investment strategy of BNP PARIBAS ASSET MANAGEMENT France’s euro fixed income management team consists of four phases:

- 1st phase: Definition of the main choices of market exposure: modified duration, positioning on the yield curve, exposure to credit risk.

- a macroeconomic committee, composed of all the management team heads by asset class, meets once a month. It identifies the global perspective of financial market players on the macroeconomic trend (market consensus), and then determines BNPP AM France's economic scenario by drawing on the findings of BNPP AM France's macroeconomic research team.
- On these bases, the global fixed income committee, composed of the heads of fixed income management, draws up forecasts for 3-month interest rates and identifies market inefficiencies. This committee then outlines its main choices in terms of modified duration, positioning on the yield curve and exposure to credit risk.
- 2nd phase: Quantitative determination of risk allocation:
 - The heads of the fixed income management team establish detailed forecast and stress scenarios for interest rates and credit spreads*, by rating category for the main bond maturities;
 - Risk allocation (duration, exposure to credit risk) is then fine-tuned so as to exploit the difference between the management team's forecasts (accounting for their degree of conviction) and the market consensus;
- 3rd phase: Issuer selection by yield curve segment and by rating:

Non-financial research consists in building a socially responsible investment (SRI) approach into the stock-picking process. Therefore, non-financial SRI research analysts focus their attention on ESG criteria, i.e. environment (E), such as global warming, combating greenhouse gas emissions, energy efficiency, conservation of natural resources, etc.; social (S), such as managing employment and restructuring, occupational accidents, training policy, remuneration, etc.; and governance (G), such as the independence of the Board of Directors with respect to general management, rights of minority shareholders, etc. The initial bond universe is filtered according to a thorough analysis of these ESG criteria: sector by sector, companies are assessed against these criteria and are rated by our non-financial analysts on a scale from 1 to 10, with 1 being the best rating. The worst-performing companies (rated 8 to 10) within each sector are excluded, to ensure investments are focused on the ESG leaders within each sector. The choice of issuers, therefore, follows a "Best In Class" approach, which aims to identify the issuers with the best ESG practices within each sector.

The sub-fund aims to invest in securities issued by eligible countries; issues should be guaranteed by governments and development banks. The first filter is for responsibility indicators, which are designed to check compliance with ethical criteria: respect for human rights (discrimination and rights of minorities, national policies for the integration of immigrants); biodiversity (percentage of protected areas); healthcare (access to and coverage of healthcare systems, inequality and life expectancy).

The second filter looks at environmental and social criteria (education, healthcare, combating exclusion) and analyses the institutions of eligible countries (freedom of the press, anti-corruption measures, etc.). We apply this best-in-class approach to the 28 European Union member states and we select about two-thirds of them. We also conduct a specific analysis to measure the effectiveness of the aid provided by these undertakings to developing countries.

The investment universe, which is broader than that of the benchmark index, consists of companies complying with the following financial and non-financial filters (listed by order of application):

- Compliance with sector-specific policies on controversial activities such as controversial weapons (cluster bombs, anti-personnel mines), asbestos, palm oil, pulp, nuclear power, coal-fired power plants, mining, etc.: companies with practices that do not comply with the minimum ESG standards of the BNP Paribas Group are excluded from the investment universe (in accordance with the Responsible Investment Policy of BNP PARIBAS ASSET MANAGEMENT Holding, available on its website).

- Exclusion of companies that repeatedly contravene any of the 10 Principles of the United Nations Global Compact on subjects such as human rights, labour rights, the environment and the fight against corruption.
- Exclusion of companies generating more than 10% of their revenue in controversial activities such as alcohol, tobacco, weapons, gambling, pornography, etc.,
- Exclusion of companies with the least good ESG practices within each business sector (elimination of the last three ESG deciles). Regarding the analysis of issuers' ESG practices, the security selection method is applied by a team of dedicated analysts, based on the following criteria (not exhaustive):
 - from an environmental perspective: global warming and the fight against greenhouse gas emissions, energy efficiency, saving natural resources, etc.;
 - from a social perspective: management of employment and restructuring, work-related injuries, training policy, remuneration, etc.;
 - on the theme of corporate governance: independence of the Board of Directors in relation to the general management, respect for the rights of minority shareholders, separation of management and control functions, fight against corruption.
- Credit spreads of major issuers by maturity tranche and rating category are analysed in relative value compared with their historical average.
- Finally, using the above factors, issuers are selected by yield curve segment and by rating.
- 4th phase: Portfolio construction:
The portfolio of BNP PARIBAS SUSTAINABLE BOND EURO SHORT TERM is then constructed by the fixed income management team based on the risk allocation choices and issuer selection procedure outlined above.

* The credit spread is the yield spread between a security issued by a private issuer and the swap rate of comparable maturity.

Moreover, the sub-fund may invest in Asset-Backed Securities (ABS), Mortgage-Backed Securities (MBS) and securitisation companies, as well as in high yield securities, up to a maximum of 20% of its net assets.

For securitisation securities, non-financial analysis is carried out at issuer level by the SRI research team. A comprehensive review of the financial sector is performed once a year, focusing on social and governance criteria. Their weighting may vary from year to year. The credit research team then analyses the underlyings (sources of payment, nature of collateral, etc.) in order to select the best securities.

All securities in the portfolio are intended to comply with the management company's ESG criteria.

2. MAIN ASSET CLASSES USED (EXCLUDING EMBEDDED DERIVATIVES):

The sub-fund's portfolio is composed of the following asset classes and financial instruments:

- **Equities:** None

- **Debt securities and money market instruments:**

The sub-fund invests mainly in euro-denominated fixed income products: fixed rate and/or variable rate and/or index-linked and/or convertible bonds and money market instruments, including funds classified as money market and/or short-term money market instruments. Investments in convertible bonds may not exceed 10% of net assets.

The sub-fund may invest in securitisation securities (Asset-Backed Securities (ABS), Mortgage-Backed Securities (MBS)).

All of these securities must meet the selection criteria related to Socially Responsible Investment (SRI). This sub-fund may invest in a diversified portfolio of money market instruments such as private and/or public sector short-term transferable securities, Treasury bills, etc.

The sub-fund invests in low-sensitivity money market instruments with a minimum rating of A2 (Standard & Poor's) or P2 (Moody's) or F2 (Fitch) at the time of their acquisition.

The proportion of high-yield bonds, unrated bonds and securitisation instruments of any rating, must not exceed 20% of the net assets.

The fund manager uses internal credit risk evaluation tools to select the securities held in the sub-fund and does not use the ratings published by rating agencies either exclusively or systematically. The use of the aforementioned ratings contributes to the overall assessment of the creditworthiness of an issue or issuer, from which the fund manager derives his/her own convictions in terms of stock-picking.

The agencies selected for the definition of ratings are Moody's, Standard & Poor's and Fitch.

When an issue is rated by the three agencies, the reference rating is the median after having excluded the lowest and the highest. When an issue is rated by two of these agencies, the lowest rating will apply.

When it is rated only by one agency, this is the rating that applies.

If an issue is not rated by any of the three agencies, the equivalent "issuer" rating shall be used, in accordance with the criteria previously defined.

Private debt may account for up to 100% of the net assets.

On an incidental basis, the sub-fund may invest in bonds and transferable debt securities denominated in currencies other than the euro.

Modified duration range	Between -1 and 3
Exposure ranges corresponding to the geographic region of the issuers of the securities	Eurozone countries: between 10% and 100% of the net assets
	Non-eurozone OECD countries: between 0% and 90% of the net assets

- **UNITS OR SHARES OF INVESTMENT FUNDS**

The sub-fund may invest up to 10% of its net assets in units or shares of French or European UCITS, AIFs (alternative investment funds) and investment funds, irrespective of their classification.

Up to this limit, the sub-fund may invest in the following UCITS and investment funds:

- French or foreign UCITS or investment funds complying with the four criteria of article R.214-13 of the French Monetary and Financial Code.

- Securitisation companies.

The investment funds used are primarily money market UCIs or bond UCIs to manage the liquid asset component.

These investment funds meet the above-mentioned SRI criteria.

The aforementioned UCITS and investment funds may be managed by BNP PARIBAS ASSET MANAGEMENT France or by affiliated companies.

3. DERIVATIVES:

The sub-fund may invest on French and/or foreign regulated or OTC forward markets in France authorised by the decree of 6 September 1989 and any amendments thereto (only for financial instruments).

In these markets, the sub-fund may use the following instruments for hedging or exposure purposes:

- interest rate, currency and government bond futures
- currency options, interest rate options
- interest rate swaps, swaps with an option-related component
- forward purchase/sale of currencies
- credit derivatives: credit default swaps (CDS) on an incidental basis, credit linked notes, collateralised debt obligations. (Credit risk is managed by anticipating trends in yield spreads (credit spread) between one or several issuers and/or by hedging the default risk.)
- Caps, Floors, etc.

The Fund will not use total return swaps.

The fund will use all these instruments to hedge the portfolio against and/or expose it to currency and/or interest rate and/or credit risks.

The use of currency derivatives will be limited to a maximum exposure of 5% of net assets.

The investment limit for all of the aforementioned markets is 100% of the sub-fund's net assets. This investment limit includes positions on credit derivatives as well as those on instruments with embedded derivatives.

These transactions in financial instruments may be concluded with counterparties selected by the management company; these counterparties may be companies that are connected to the BNP Paribas Group.

Eligible counterparties have no authority over the composition or management of the sub-fund's portfolio.

4. INSTRUMENTS WITH EMBEDDED DERIVATIVES:

In order to meet its investment objective, the sub-fund may also invest in financial instruments with embedded derivatives (warrants, structured EMTN, medium-term transferable securities, structured bonds and convertible bonds within the maximum limit of 10% of net assets), in order to:

- hedge the portfolio against interest rate and/or credit risks,
- increase its exposure to credit and/or interest rate risks.

The investment limit for all of these markets is 100% of the sub-fund's net assets.

5. DEPOSITS:

The sub-fund may deposit up to 100% of its net assets with one or more credit institutions for a maximum period of 12 months.

6. CASH BORROWINGS:

In the normal course of operations, the sub-fund may temporarily become overdrawn and need to borrow cash, up to a limit of 10% of its net assets.

7. TEMPORARY PURCHASES AND SALES OF SECURITIES:

None

8. INFORMATION ON THE COLLATERAL RECEIVED BY THE UCITS:

In order to protect the fund against counterparty default, transactions on OTC derivative instruments may give rise to the delivery of collateral in the form of securities and/or cash.

The eligibility of the securities as collateral is defined in accordance with investment constraints and according to a discount procedure defined by the risk department of the management company. The securities received as collateral must be very liquid and capable of being transferred quickly on the market. The securities received from a single issuer may not exceed 20% of the net assets of the sub-fund (with the exception of securities issued or guaranteed by an eligible OECD member state, in which case this limit may be increased to 100%, provided that this 100% is distributed among six issues, none of which represents more than 30% of the Fund's net assets). They must be issued by an entity that is independent of the counterparty.

Assets
Cash (EUR, USD and GBP)
Fixed income products
Securities issued or guaranteed by a state within an eligible OECD country. As a guarantee, the SICAV may receive more than 20% of its net asset value in securities issued or guaranteed by eligible OECD Member States. The SICAV may thus be fully guaranteed by securities issued or guaranteed by a sole eligible OECD Member State.
Supranational securities and securities issued by government agencies
Securities issued or guaranteed by a state within another eligible country
Debt securities and bonds issued by a company whose registered office is located in an eligible OECD country
Convertible bonds issued by a company whose registered office is located in an eligible OECD country
Units or shares of money market UCITS (1)
MMI (money market instruments) issued by companies whose registered office is located in an eligible OECD country or another eligible country.
<i>(1) Only UCITS managed by BNP PARIBAS ASSET MANAGEMENT Holding.</i>
Eligible indices & related shares
Securitisations (2)

(2) subject to the agreement of the BNP PARIBAS ASSET MANAGEMENT France Risk Department
Collateral other than cash must not be sold, reinvested or pledged.

Financial guarantees received in cash may be reinvested in accordance with AMF position no. 2013-06. In this way, the cash received can be placed on deposit, invested in investment grade government bonds, used in reverse repurchase operations, or invested in short-term money market UCITS.

■ Financial guarantee:

In addition to the guarantees referred to in paragraph 8, the SICAV provides a guarantee on its assets (securities and cash) in favour of the depositary as part of its financial obligations to this party.

■ Risk profile:

Your money shall be invested primarily in financial instruments selected by the Management Company. These financial instruments are subject to the evolution and fluctuations of the market.

The sub-fund is categorised as “Bonds and other debt securities denominated in euro”. Investors are therefore exposed to the following risks:

- Risk of capital loss: Investors are advised that the sub-fund's performance may not meet its objectives and that they may not recover the full amount of the capital invested (less subscription fees).
- Discretionary management risk: The fund's discretionary management style is based on expectations as to future movements in various markets. There is a risk that the fund may not be invested at all times in the best-performing markets.
- Interest rate risk: Fixed income markets move in the opposite direction to interest rates. The impact of a variation in interest rates is measured by the “duration” criterion of the sub-fund, in this instance within a range of -1 to 3. The modified duration measures the potential impact on the sub-fund's net asset value of a 1% variation in interest rates. Thus, a modified duration of 3 means that for a 1% increase in interest rates, the sub-fund's net asset value will fall by 3%.
- Credit risk: This risk is linked to an issuer's ability to honour its commitments and to the risk of an issuer's rating being downgraded. If one of the issuers of securities held in the portfolio posts a decline in its financial situation, this will prompt the sub-fund's net asset value to fall.
- Counterparty risk: this risk is linked to the conclusion of futures contracts (see the “Derivatives” section above) in the event that a counterparty with whom a contract has been concluded cannot meet its commitments (e.g. payment, redemption), potentially resulting in a fall of the sub-fund's net asset value.
- Risk related to investment in high yield securities within the maximum limit of 20% of the sub-fund's net assets: The sub-fund must be viewed as partly speculative, and is particularly intended for investors who are aware of the risks inherent in investments in securities with a low rating or no rating at all. The use of high yield securities therefore exposes the sub-fund to the risk of sharper declines in net asset value.
- Risk related to investment in securitisation securities within the limit of 20% of net assets: for these instruments, credit risk is mainly based on the quality of the underlying assets, which may vary in nature (bank debt, debt securities, etc.) These instruments are the result of complex composition procedures that may relate to legal risks and specific risks, notably liquidity, associated with the characteristics of the sub-fund.
- Incidental currency risk: This concerns eurozone shareholders (up to the limit of 5% of net assets). It is linked to a fall in the currencies in which the financial instruments used by the sub-fund are listed, which may have a negative impact on the net asset value.
- Incidental risk associated with convertible bonds, up to the limit of 10% of net assets: risk related to incidental investments in convertible bonds: the value of convertible bonds depends to a certain extent on changes in the price of their underlying shares. Price fluctuations of underlying equities can cause the sub-fund's net asset value to fall.

TARGET SUBSCRIBERS AND INVESTOR PROFILE:

Classic share categories, C and D classes: All subscribers.

Privilege share categories, C and D classes: All investors and subscribers advised by independent advisers as defined by MiFiD II (1) and managed under mandate.

(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFID 2004/39.

I share categories, C and D classes: All subscribers. Particularly intended for legal entities and institutional investors.

X share category: Reserved for feeder funds of the BNP PARIBAS Group.

R share categories, C and D classes: Reserved for BNPP Fortis Private Banking**.

R Plus share category: Reserved for BNPP Fortis Private Banking**.

** *With the exception of the management company or any entity of the BNP PARIBAS Group.*

This sub-fund is intended for investors seeking bond yield over the recommended investment period.

The amount that is reasonable to invest in this sub-fund depends on each investor's personal situation. Investors should base this on their personal assets and current and future needs over a minimum investment horizon of one year, but also on their willingness to take risks or, on the contrary, to invest cautiously. Investors are also strongly advised to sufficiently diversify their investments so as not to be exposed solely to the risks of this sub-fund.

Information relating to US investors:

The management company is not registered as an investment adviser in the United States.

The SICAV is not registered as an investment vehicle in the United States and its shares are not and will not be registered under the Securities Act of 1933, and as such they cannot be offered or sold to Restricted Persons, as defined below.

A Restricted Person is (i) any person or entity situated in United States territory (including United States residents), (ii) any corporation or any other entity under the laws of the United States or of one of its States, (iii) any military personnel of the United States or any personnel connected to a department or agency of the US Government situated outside the territory of the United States, or (iv) any other person who might be considered a U.S. Person as defined in Regulation S under the Securities Act of 1933, as amended.

Furthermore, the SICAV's shares may not be offered or sold to employee benefit plans or to entities whose assets make up employee benefit plans, regardless of whether they are subject to the provisions of the United States Employee Retirement Income Securities Act of 1974, as amended.

FATCA clause:

In accordance with the provisions of the Foreign Account Tax Compliance Act ("FATCA") applicable from 1 July 2014, when the SICAV invests directly or indirectly in US assets, the income from these investments is likely to be subject to withholding tax of 30%.

To avoid payment of the 30% withholding tax, France and the United States have entered into an intergovernmental agreement under which the non-US financial institutions ("foreign financial institutions") undertake to implement a procedure for identifying direct or indirect investors who are US taxpayers and to convey certain information about these investors to the French tax authorities, which will inform the US tax authority ("Internal Revenue Service").

The SICAV, in its capacity as foreign financial institution, undertakes to comply with FATCA and to take any steps in line with the aforementioned intergovernmental agreement.

AUTOMATIC EXCHANGE OF INFORMATION (AEOD):

In order to comply with regulations on the Automatic Exchange of Information (AEOI), the SICAV may be required to gather and disclose information on its shareholders to third parties, including the tax authorities, to be passed on to the relevant jurisdictions. This information may include (but is not limited to) the identity of shareholders and of their direct or indirect beneficiaries, end beneficiaries and controlling persons. Shareholders will be required to comply with any request from the SICAV to provide such information in order that the SICAV can comply with its reporting obligations.

For any information relating to their particular situation, shareholders should consult an independent tax adviser.

MINIMUM RECOMMENDED INVESTMENT PERIOD: One year.

METHOD FOR DETERMINING AND ALLOCATING DISTRIBUTABLE INCOME:

. Classic share category, C class: Accumulation

Allocation of net income: Accumulation. The SICAV has opted for accumulation. Net income shall be fully accumulated each year.

Allocation of net capital gains realised: Accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

. Classic share category, D class: Distribution (distribution frequency)

Allocation of net income: Dividend payments. The SICAV has opted for distribution. Net income shall be fully distributed each year.

Allocation of net capital gains realised: Accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

. Privilege share category, C class: Accumulation.

Allocation of net income: Accumulation. The SICAV has opted for accumulation. Net income shall be fully accumulated each year.

Allocation of net capital gains realised: Accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

. Privilege share category, D class: Distribution (distribution frequency)

Allocation of net income: Dividend payments. The SICAV has opted for distribution. Net income shall be fully distributed each year.

Allocation of net capital gains realised: Accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

. I share category, C class: Accumulation

Allocation of net income: Accumulation. The SICAV has opted for accumulation. Net income shall be fully accumulated each year.

Allocation of net capital gains realised: Accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

. I share category, D class: Distribution (distribution frequency)

Allocation of net income: Dividend payments. The SICAV has opted for distribution. Net income shall be fully distributed each year.

Allocation of net capital gains realised: Accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

. X share category: Accumulation

Allocation of net income: Accumulation. The SICAV has opted for accumulation. Net income shall be fully accumulated each year.

Allocation of net capital gains realised: Accumulation. The SICAV has opted for accumulation. Net realised capital gains shall be fully accumulated each year.

. R share category, C class: Accumulation

Allocation of net income: Accumulation. The SICAV has opted for accumulation. Net income is fully accumulated each year.

Allocation of net realised capital gains: Accumulation. The SICAV has opted for accumulation. Net realised capital gains are fully accumulated each year.

. R share category, D class: Distribution (distribution frequency)

Allocation of net income: Distribution. The SICAV has opted for distribution. Net income is fully distributed each year.

Allocation of net realised capital gains: Distribution. The SICAV has opted for distribution. Net realised capital gains are fully distributed each year.

. R Plus share category: Distribution (distribution frequency)

Allocation of net income: Distribution. The SICAV has opted for distribution. Net income is fully distributed each year.

Allocation of net realised capital gains: Distribution. The SICAV has opted for distribution. Net realised capital gains are fully distributed each year.

Interest is accounted for using the interest received method.

■ **Characteristics of the shares:**

SUMMARY TABLE OF KEY CHARACTERISTICS OF THE SHARES

Share categories	ISIN codes	Appropriation of distributable sums	Base currency	Initial net asset value	Minimum initial investment	Target subscribers
Classic share category, "C" class	FR0013176336	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	one thousandth of a share or the equivalent amount in euros	All subscribers
Classic share category, "D" class	FR0013176344	Net income: Distribution Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	one thousandth of a share or the equivalent amount in euros	All subscribers
Privilege share category, "C" class	FR0013176351	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	Initial subscription: EUR 50,000* Subsequent subscriptions: one thousandth of a share	All subscribers.
					1/1000th of a share or the equivalent amount	For investors advised by independent advisers as defined by MiFID II (1) and managed under mandate

Privilege share category "D" class	FR0013176369	Net income: Distribution Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	Initial subscription: EUR 50,000* Subsequent subscriptions: one thousandth of a share	All subscribers.
					1/1000th of a share or the equivalent amount	For investors advised by independent advisers as defined by MiFID II (1) and managed under mandate
I share category, "C" class	FR0013176377	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	EUR 1,000,000*	All subscribers. Particularly intended for legal entities and institutional investors.
I share category, "D" class	FR0013176385	Net income: Distribution Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	EUR 1,000,000*	All subscribers. Particularly intended for legal entities and institutional investors.
X share category	FR0013176401	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	one thousandth of a share	Reserved for feeder funds of BNP PARIBAS Group management companies.
R share category, "C" class	FR0013286226	Net income: Accumulation Net realised capital gains: Accumulation	EUR	See "Initial net asset value" section	one thousandth of a share	Reserved for BNPP Fortis Private Banking**
R share category, "D" class	FR0013286234	Net income: Distribution Net realised capital gains: Distribution	EUR	See "Initial net asset value" section	one thousandth of a share	Reserved for BNPP Fortis Private Banking**
R Plus share category	FR0013286242	Net income: Distribution Net realised capital gains: Distribution	EUR	See "Initial net asset value" section	EUR 50,000*	Reserved for BNPP Fortis Private Banking**

* This minimum subscription amount does not apply to BNP PARIBAS Group entities.

** With the exception of the management company or any entity of the BNP PARIBAS Group.

(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFID 2004/39.

SUBSCRIPTION AND REDEMPTION PROCEDURES:

Subscription and redemption requests are centralised at 13:00 Monday to Friday. Orders centralised at 13:00 on a given day are executed on the basis of the next net asset value of the same date, settled or delivered within the five days following the date of calculation of the net asset value.

Subscription requests may be, for an amount denominated in euro, for a whole number of shares or for a fraction of a share, as each share is divided into thousandths.

For all share categories, redemption requests may be for a whole number of shares or for a fraction of a share, as each share is divided into thousandths.

Requests received on Saturdays are centralised on the next business day.

MINIMUM SUBSCRIPTION:

Initial subscription:

Classic share categories: one thousandth of a share or the equivalent amount in euros

Privilege share categories:

- For all investors: EUR 50,000
- For investors advised by independent advisers as defined by MiFiD II (1) and managed under mandate: One thousandth of a share or the equivalent amount

(1) Distributors from member countries of the European Economic Area providing only independent advisory services as defined by MiFiD 2004/39.

I share category: EUR 1,000,000

X share category: one thousandth of a share

R share categories: one thousandth of a share

R Plus share category: EUR 50,000

Subsequent subscription:

Classic share categories: one thousandth of a share or the equivalent in euros

Privilege share categories: one thousandth of a share

I share category: one thousandth of a share

X share category: one thousandth of a share

R share categories: one thousandth of a share

R Plus share category: one thousandth of a share

ESTABLISHMENT TO WHICH RESPONSIBILITY FOR RECEIVING SUBSCRIPTION AND REDEMPTION REQUESTS HAS BEEN DELEGATED: BNP PARIBAS SECURITIES SERVICES.

INITIAL NET ASSET VALUE:

Classic share category, “C” class: the initial net asset value will be equal to the net asset value of Classic “C” units of the FCP BNP Paribas Bond Euro Short Term Plus on the day of the merger by absorption

Classic share category, “D” class: the initial net asset value will be equal to the net asset value of Classic “D” units of the FCP BNP Paribas Bond Euro Short Term Plus on the day of the merger by absorption

Privilege share category, “C” class: the initial net asset value will be equal to the net asset value of Privilege “C” units of the FCP BNP Paribas Bond Euro Short Term Plus on the day of the merger by absorption

Privilege share category, “D” class: the initial net asset value will be equal to the net asset value of Privilege “D” units of the FCP BNP Paribas Bond Euro Short Term Plus on the day of the merger by absorption

I share category, “C” class: the initial net asset value will be equal to the net asset value of I “C” units of the FCP BNP Paribas Bond Euro Short Term Plus on the day of the merger by absorption

I share category, “D” class: the initial net asset value will be equal to the net asset value of I “D” units of the FCP BNP Paribas Bond Euro Short Term Plus on the day of the merger by absorption

X share category: the initial net asset value will be equal to the net asset value of X units of the FCP BNP Paribas Bond Euro Short Term Plus on the day of the merger by absorption

R share category, “C” class: EUR 100

R share category, “D” class: EUR 100

R Plus share category: EUR 100

DATE AND FREQUENCY OF CALCULATION OF THE NET ASSET VALUE:

Daily, except Saturdays, Sundays, legal holidays in France and days when the French markets are closed (official Euronext calendar).

The net asset value before a non-business period (weekends and holidays) takes into account the accrued interest for this period. It is dated at the last day of the non-business period.

PLACE AND METHODS OF PUBLICATION OR COMMUNICATION OF THE NET ASSET VALUE:

The net asset value can be viewed in BNP Paribas branches and on the website www.bnpparibas-am.com.

EXPENSES AND FEES: SUBSCRIPTION AND REDEMPTION FEES:

General definition: subscription and redemption fees increase the subscription price paid by the investor and reduce the redemption price. The fees retained by the sub-fund are used to offset the costs incurred by the sub-fund in investing and disinvesting the assets under management. Fees not paid to the Fund are paid to the Management Company, the promoter, etc.

Expenses payable by the investor, deducted from the subscriptions and redemptions	Basis	Rate/scale
Maximum subscription fee not retained by the sub-fund	Net asset value X number of shares	“Classic” share categories, C and D classes: none “Privilege” share categories, C and D classes: none “I” share categories: none “X” share category: none “R” share categories, “C” and “D” classes: maximum 0.15% “R Plus” share category: maximum 0.15%
Subscription fee payable to the sub-fund	/	None
Maximum redemption fee not retained by the sub-fund	/	None
Redemption fee payable to the sub-fund	/	None

Fees invoiced to the sub-fund:

These fees cover the financial management fees applied by the financial manager, administrative management fees external to the delegated financial manager, and maximum indirect fees (management fees and charges).

Fees invoiced to the sub-fund	Basis	Rate/scale
Financial management fees including management and administrative fees external to the delegated financial manager	Net assets per annum	“Classic” share categories: Maximum 1% (inclusive of tax) “Privilege” share categories: Maximum 0.70% (inclusive of tax) “I” share categories: Maximum 0.50% (inclusive of tax) “X” share category: Maximum 0.05% (inclusive of tax) “R” share category: Maximum 0.80% (inclusive of tax) “R Plus” share category: Maximum 0.60% (inclusive of tax)
Maximum indirect expenses	Indirect (subscription and redemption) fees	Net asset value X number of shares
	Indirect management fees	Net assets per annum
Performance fees	/	None
Transaction fees Service provider receiving transaction fees: management company	/	None
Outperformance fee		None

ADDITIONAL INFORMATION CONCERNING TEMPORARY PURCHASES AND SALES OF SECURITIES:
 NONE

SUCCINCT DESCRIPTION OF THE PROCEDURE FOR SELECTING INTERMEDIARIES:

Monitoring of the relationship between BNP PARIBAS ASSET MANAGEMENT France and its financial intermediaries is subject to a set of official procedures, organised by a specialist team that reports to the Chief Investment Officer and the Head of Risk Management.

All new business relationships are subject to an approval procedure with the aim of minimising counterparty default risk in transactions involving financial instruments traded on regulated or organised markets (money market instruments, bonds and interest rate derivatives, as well as physical shares and equity derivatives).

The criteria used in the counterparty selection procedure are as follows: the ability to offer competitive intermediary costs, quality of order execution, pertinence of research services offered to users, availability to discuss and explain analyses, ability to offer a range of products and services (whether broad or specialised) that meets BNP PARIBAS ASSET MANAGEMENT France's requirements, ability to optimise the administrative processing of transactions.

The weighting allocated to each criterion depends on the nature of the investment process in question.

Sub-fund: BNP PARIBAS PRE2MIUM

■ **Guarantee:** Capital is not guaranteed, although BNP Paribas protects the sub-fund on each quarterly protection revision date.

■ Management objective

The management objective of the sub-fund is to allow shareholders to benefit, over the recommended three-year investment term:

- firstly, from the performance of assets deemed "risky", based on an active strategy of options with limited levels of profit and loss giving partial exposure to the eurozone equity markets;
- secondly, from investing in "low risk" assets giving exposure to the short-term interest rate market and enabling shareholders to profit from the following rolling protection mechanism: from June 2018, the net asset value at the date of the quarterly assessment¹ will be at least equal to 95% of the net asset value at the quarterly assessment date 12 months previously (see the description in the paragraph entitled "Protection").

The sub-fund's performance will therefore depend on the performances of "risky assets" and "low risk assets" respectively, and on the allocation between this selection of "risky" assets and assets deemed "low risk". The adjustment of the proportion of these assets within the portfolio is dependent on the available margin once the Protection² criteria have been taken into account.

The sub-fund will also aim to pay an annual coupon of 0.50% of the net asset value. Payment of the coupon is not guaranteed and will depend on the change in the sub-fund's net asset value.

■ Benchmark index

Given its management objective and in view of the investment strategy employed, the sub-fund cannot be compared to any benchmark index.

■ Description of the economy of the sub-fund

¹ As described in the paragraph entitled "Protection"

² As described in the paragraph entitled "Protection"

1. What shareholders in the sub-fund can expect:

The shareholder seeks to benefit from fixed premiums, depending on fluctuations in the eurozone equity markets, due to a limited exposure to these markets.

In return for the rolling protection mechanism, which from June 2018 will limit losses for the past year to a maximum of 5% on each quarterly assessment date, the shareholder is only partially exposed to fluctuations in eurozone equities.

2. Advantages and disadvantages of the sub-fund:

ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none">• Rolling capital protection: at each quarterly assessment date from 15 June 2018, the sub-fund will provide protection equal to 95% of the net asset value of the quarterly assessment date 12 months previously.• The sub-fund benefits from dynamic exposure to eurozone equity markets thanks to a strategy of selling options with limited losses. It therefore benefits from fixed premiums, depending on changes in the eurozone equity markets.	<ul style="list-style-type: none">• Shareholders may suffer capital losses: if the net asset value of the sub-fund falls over time, the levels of quarterly protection will also fall and shareholders may lose virtually all of their initial investment.• The active strategy of options with limited levels of profit and loss only provides limited and partial exposure to a potential rebound in the eurozone equity markets.• The level of exposure to eurozone equity markets may be temporarily low or even zero. Therefore, during this period, the sub-fund may be said to be “monetised” and temporarily unable to take advantage of a potential rebound in the equity markets of the eurozone.• Due to the rolling protection mechanism, the proportion of “risky assets” in the sub-fund will depend to a large extent on the levels of protection acquired for the coming year and, therefore, on the highest of these.

■ Investment strategy:

To achieve its management objective, the sub-fund will enter into forward financial instruments that will enable partial exposure to changes in the eurozone equity markets and to money market instruments.

1. STRATEGY USED TO ACHIEVE THE MANAGEMENT OBJECTIVE:

To achieve the management objective, the sub-fund is managed using portfolio insurance techniques, the principle of which is to adjust the proportions of “risky” and “low risk” assets within the sub-fund, depending firstly on the room for manoeuvre available once the protection criteria have been taken into account and secondly, on the expectations of the management.

- **“Low risk” assets** aim to safeguard the rolling protection mechanism³. They are composed of fixed-income products and/or UCI units or shares and interest rate derivatives.
“Low risk” assets may also be invested in equities and/or in units or shares of UCIs with forward financial instruments that swap the overall performance of these assets for a cash yield.
- **“Risky” assets** give partial exposure to the eurozone equity markets via a dynamic strategy on options with limited losses and profits. The sub-fund is therefore slightly exposed to the peaks and troughs of the eurozone equity markets.

So-called “risky” assets include listed or over-the-counter forward financial instruments concluded with a view to achieving the management objective.

The level of exposure to fluctuations in the eurozone equity markets varies between 0 and 100% and is dependent at all times on the levels of protection to be provided for the coming year, with these levels being equal to 95% of the net asset value recorded each quarter during the previous year⁴. Accordingly, it is important to note that the proportion of “risky assets” in the sub-fund and the dynamism of the sub-fund will depend on the levels of protection acquired during the previous year: the lower the levels of protection acquired compared to the current net asset value of the sub-fund, the greater the exposure to the eurozone equity markets, and conversely, the higher the levels of protection acquired compared to the current net asset value of the sub-fund, the lower the exposure to the eurozone equity markets.

Therefore, when investing in the sub-fund, the shareholder must find out about the levels of protection acquired as the proportion of “risky assets” in the sub-fund (and therefore exposure to eurozone equity markets) will depend on them. The shareholder may obtain the necessary information on these levels of protection from the management company and from their website at www.bnpparibas-am.com.

In the event of a sharp slump in the eurozone equity markets, the sub-fund may be said to be “monetised” and will therefore be exposed to the short-term interest rate market only and be temporarily unable to take advantage of a potential rebound in the equity markets of the eurozone for a maximum period of one year. Consequently, the portion of the sub-fund exposed to “risky” assets may in certain cases be reduced to zero for a maximum period of one year. At the end of the monetisation period, the level of exposure to equity markets of the eurozone will depend on the difference between the level of protection to be provided over coming year and the net asset value of the sub-fund on that date, enabling the sub-fund to be exposed once more to a potential rebound in the eurozone equity markets and potentially benefit from it.

Between 16 June 2017 and 3 July 2017, the sub-fund will be invested solely in “low risk” assets and will therefore not be exposed to the eurozone equity markets. Shareholders will therefore be unable to benefit from any potential performance recorded by the eurozone equity markets during this period.

³ See paragraph entitled “Protection”

⁴ as per the procedures described in the paragraph entitled “Protection”

2. MAIN ASSET CLASSES USED (EXCLUDING EMBEDDED DERIVATIVES):

The sub-fund's portfolio is composed of the following asset classes and financial instruments:

- **Equities**

The sub-fund may invest up to 100% of its net assets in securities of large-, medium- and small-cap companies from all sectors, with registered offices located in a eurozone member country.

- **Debt securities and money market instruments**

The sub-fund may invest up to 100% of its net assets in fixed-rate and/or variable-rate bonds, negotiable debt securities and money market products.

These securities are issued or guaranteed by a eurozone country, and/or issued by a eurozone supranational issuer and/or issued by a private issuer whose registered office is located in a eurozone member country, and are denominated in euros.

The manager has internal methods for evaluating credit risk when selecting securities for the sub-fund and does not exclusively or systematically use the ratings issued by rating agencies. The ratings mentioned below are one of the factors used to assess the overall credit quality of an issue or issuer on which the financial manager by sub-delegation bases their own decisions in terms of stock selection.

These securities may have a minimum "issue" rating of "Investment Grade" or a rating deemed equivalent in the opinion of the financial manager by sub-delegation, with the exception of securities issued or guaranteed by BNP Paribas Group companies in which the sub-fund may invest without any restriction on rating.

Furthermore, the proportion of securities rated "high-yield", speculative or with a rating deemed equivalent in the opinion of the financial manager by sub-delegation may not exceed 20% of the net assets of the sub-fund.

Private debt may amount to up to 100% of the net assets.

- **UNITS OR SHARES OF UCIS**

The sub-fund may invest up to 100% of its net assets in units or shares of French or European UCITS (including ETFs).

The sub-fund may also invest up to 30% of its net assets in units or shares of French AIFs that meet the four criteria set out in Article R214-13 of the French Monetary and Financial Code.

The UCITS and AIFs in which the sub-fund invests may be managed by BNP PARIBAS ASSET MANAGEMENT France or affiliated companies.

3. DERIVATIVES:

The sub-fund may trade on French and/or foreign regulated, organised and/or over-the-counter futures markets. On these markets, the sub-fund may use the following products:

- equity and/or share index, and interest rate futures,
- options on equities and/or indices, interest rates and on credit derivatives,
- swaps: the sub-fund may enter into several types of swaps, using the following flows:
 - fixed-rate,
 - variable-rate (indexed on the Eonia, Euribor, or any other market benchmark),

- performance flow linked to one or more currencies, equities, stock market indices or listed securities or UCITS or AIF,
- options flow linked to one or more shares, indices or listed securities or UCITS or AIF,
- dividends (net or gross).

For example, the sub-fund may enter into a swap contract combining the performance of a basket of shares, including the relevant dividends, against a fixed or variable rate (“Total Return Swap” or “TRS”).

Maximum proportion of assets under management that may be subject to a Total Return Swap: 100% of net assets.

Proportion of assets under management expected to be the subject of a Total Return Swap: 100% of net assets.

These instruments are all used to hedge the portfolio against or expose it to risks associated with equity and assimilated securities and/or index, interest rate or credit risk.

The maximum investment across all of these markets is 100% of the sub-fund’s net assets. This commitment limit reflects positions on derivative instruments.

These transactions may be entered into with counterparties selected by the management company from among those institutions with their registered office in an OECD or European Union member country that are referred to in R. 214-19 of the French Monetary and Financial Code. They may be companies affiliated to the BNP Paribas Group. These counterparties must be of high credit quality. Counterparties for swap agreements will be selected following an invitation to tender.

The eligible counterparty (counterparties) has (have) no influence over the composition or management of the sub-fund’s portfolio.

Further information about the procedure for selecting intermediaries is available in the “Fees and Charges” section of the prospectus.

4. SECURITIES WITH EMBEDDED DERIVATIVES:

The sub-fund may hold subscription rights and warrants following transactions involving the securities in the portfolio.

5. DEPOSITS:

To achieve its management objective, the sub-fund may make deposits of a maximum term of 12 months, with one or more credit institutions and up to the limit of 100% of the net assets.

6. CASH BORROWINGS:

In the normal course of operations, the sub-fund may have a temporary current account deficit and therefore need to borrow cash, subject to a limit of 10% of its net assets.

7. TEMPORARY PURCHASES AND SALES OF SECURITIES:

None

8. INFORMATION RELATING TO THE UCI'S COLLATERAL

To guard against counterparty default, transactions on over-the-counter derivative instruments may involve the pledging of securities and/or cash as collateral, and the custodian will hold these securities and/or this cash in segregated accounts.

The collateral received shall have the characteristics described in the table below.

The eligibility of these listed securities is determined in accordance with the investment constraints and according to a discount procedure determined by the delegated financial manager's risk departments. The securities received as collateral must be very liquid and capable of being transferred quickly on the market. The securities received from a single issuer may not exceed 20% of the net assets of the sub-fund (with the exception of securities issued or guaranteed by an eligible OECD member state, in which case this limit may be increased to 100%, provided that this 100% is distributed among six issues, none of which represents more than 30% of the Fund's net assets). They must be issued by an entity that is independent of the counterparty.

Assets
Cash (EUR, USD and GBP)
Interest rate instruments
Securities issued or guaranteed by eligible OECD member states. The sub-fund may receive securities issued or guaranteed by an eligible member country of the OECD as collateral, for over 20% of its net assets. By way of an exception to the limit of 20% per issuer, the sub-fund may receive securities from a single eligible OECD member state, up to 100% of its net assets.
Supranational securities and securities issued by government agencies
Securities issued or guaranteed by the government of other eligible countries
Debt securities and bonds issued by a company whose registered office is located in an eligible member country of the OECD
Convertible bonds issued by a company whose registered office is located in an eligible member country of the OECD
Units or shares of money market UCITS (1)
MMI (money market instruments) issued by companies whose registered office is located in an eligible member country of the OECD or in another eligible country.
<i>(1) UCITS managed by companies belonging to the BNP PARIBAS ASSET MANAGEMENT Holding Group only.</i>
Eligible indices & related shares
Securitisations (2)

(2) Subject to the approval of the BNP PARIBAS ASSET MANAGEMENT France Risk Department
Collateral other than in cash should not be sold, reinvested or pledged as security and is held by the custodian in a segregated account.

Collateral received in cash may be reinvested in accordance with AMF position no. 2013-06. Cash received may therefore be held on deposit, invested in high-quality government bonds, used in repurchase transactions or invested in short-term money market UCITS.

■ Financial guarantee:

In addition to the guarantees referred to the previous paragraph, the SICAV provides a financial guarantee on its assets (financial securities and cash) in favour of the custodian in respect of its financial obligations to the custodian.

■ Risk profile:

Your money will be invested primarily in financial instruments selected by the financial manager by sub-delegation. These instruments will be subject to market fluctuations and risks. Consequently, the investor is exposed to the following direct and indirect risks in particular:

- a risk of capital loss: shareholders may suffer capital losses; if the net asset value of the sub-fund falls over time, the levels of quarterly protection will also fall and shareholders may lose virtually all of their initial investment.

- discretionary management risk: The discretionary management style relies on anticipating trends in the various securities held in the portfolio. However, there is a risk that the sub-fund may not always be invested in the best-performing securities at all times.

- equity risk: Equity markets may experience severe and sudden price variations that have a direct impact on the growth of the net asset value of the sub-fund. Therefore, particularly in periods of high volatility on the equity markets, the net asset value of the sub-fund can fluctuate significantly, both upwards and downwards.

This equity risk is also linked to the sub-fund's exposure in emerging countries: The economies of emerging countries are more fragile and more exposed to changes in the global economy. In addition, the financial systems in these countries are less mature. The risks of substantial capital losses or disruptions in the trading of certain financial instruments are not insignificant.

This equity risk is linked to investment in small- or mid-cap stocks.

The volume of securities listed on small- and mid-cap markets is relatively low. In the event of liquidity issues, these markets may experience more significant and more rapid downturns than large-cap markets. If these markets suffer a downturn, the sub-fund's net asset value may fall faster or more significantly.

- Interest rate risk: Investments in bonds or other debt securities may experience significant fluctuations both upward and downward, linked to fluctuations in interest rates. As a general rule, the prices of fixed-income debt securities rise when interest rates fall and fall when interest rates rise. If interest rates increase, the net asset value of the sub-fund may fall.

- risk linked to investing up to 20% of net assets in high-yield, speculative securities: the sub-fund must be regarded as being partly speculative, and is aimed in particular at investors who are aware of the inherent risks involved in investing in securities with low or non-existent credit ratings. As such, the use of "high-yield" securities may amplify any fall in the net asset value.

- credit risk: This is linked to an issuer's ability to honour its debts and to the risk of the rating of an issuer being downgraded, which may result in a fall in the value of the associated debt securities and a drop in the sub-fund's net asset value.

- counterparty risk: This risk is associated with the conclusion of contracts involving forward financial instruments (see the section on "Derivatives" above) and results from the failure of a counterparty with whom a contract has been concluded to honour its commitments (for example, payment or repayment), which may lead to a fall in the net asset value of the sub-fund.

- a risk of monetisation of the sub-fund: If the performance of "risky" assets falls, the sub-fund may then be invested in so-called "low risk" assets only, so as to ensure that, at the next quarterly assessment dates, the net asset value is protected at a minimum of 95% of the respective net asset value levels at the previous year's quarterly assessment dates; there is a risk of temporary "monetisation" of the sub-fund, which would then temporarily prevent the sub-fund from taking advantage of a potential rebound in the markets.

- risks linked to total return swaps and collateral management: Shareholders may be exposed to a legal risk (linked to legal documentation, the enforcement of contracts and the limits thereof) and to a risk associated with the reuse of cash received as collateral, as the net asset value of the sub-fund may change in line with fluctuations in the value of the securities acquired by investing the cash collateral received. In exceptional market circumstances, shareholders may also be exposed to liquidity risk, which may, for example, make it difficult to trade certain securities.

Terms of the Protection:

Guarantor institution: BNP Paribas

If the Guarantee does not cover the total amount of the capital invested, after deduction of subscription fees, excluding tax and social security contributions, but only a percentage of it, it is classed as “Protection” by the AMF (hereinafter the “Protection”).

Definitions:

Quarterly assessment dates: the third Friday in June, September, December and March each year. Consequently, the quarterly assessment dates are as follows:

16 June 2017
15 September 2017
15 December 2017
16 March 2018
15 June 2018
21 September 2018
21 December 2018
15 March 2019
21 June 2019
20 September 2019
20 December 2019
20 March 2020
19 June 2020
18 September 2020
18 December 2020
19 March 2021
18 June 2021
17 September 2021
17 December 2021
18 March 2022
17 June 2022
etc.

Purpose:

Under the Protection, BNP Paribas undertakes vis-à-vis the SICAV that, for this sub-fund and for each quarter, the net asset value of the quarterly assessment dates will, from June 2018, be at least equal to 95% of the net asset value of the assessment date 12 months previously.

For example: if, the sub-fund’s net asset value on 16 June 2017 is €100, the net asset value for the quarterly assessment date on 15 June 2018 will be a minimum of €95.

Term and extension:

BNP Paribas provides the sub-fund with this Protection for a period of five years from the first quarterly assessment date. This Protection commitment will automatically be extended for an additional year, each year from 15 June 2018. On each extension date, BNP PARIBAS may choose to terminate the extension of the Protection, subject to a notice period of three months from the extension date concerned being notified simultaneously to the SICAV and to BNP PARIBAS ASSET MANAGEMENT France.

If the Protection is not extended, shareholders will be informed of this change and of the date upon which the Protection finally expires. The Protection will, however, continue to have effect until its final expiry. Subscriptions may, however, be discontinued. The SICAV may take the decision to dissolve the sub-fund on the expiry date of the Protection.

The Protection is activated by BNP PARIBAS ASSET MANAGEMENT France in such a way that the net asset value of the sub-fund is adjusted on the relevant dates in accordance with the terms mentioned above. If adjustments are necessary and upon request by BNP PARIBAS ASSET MANAGEMENT France, BNP PARIBAS will pay the sub-fund the additional amount necessary to ensure the net asset value of the sub-fund conforms to the commitment made.

Tax implications

The Guarantor grants the Protection in accordance with the laws and regulations in force in France and in the countries in which BNP PARIBAS ASSET MANAGEMENT France (for the sub-fund) holds contracts, on each quarterly assessment date.

In the event of any changes being made to said laws (or to their interpretation by case law and/or by the governments of the countries concerned), retroactively if applicable, which would involve a new direct or indirect financial charge resulting in a reduction to the net asset value of the sub-fund, due to a change in mandatory deductions being applied to the sub-fund (or to the income it receives), the Guarantor may, with the approval of the AMF, reduce the amounts due under the Protection by the amount of this new financial charge.

■ Target investors and typical investor profile:

All investors.

The sub-fund may be used to support individual unit-linked life insurance policies or capitalisation contracts from BNP Paribas Group insurance companies.

If the sub-fund is selected as the unit of account for a life insurance policy or capitalisation contract, subscribers/members are reminded that if an early exit takes place due to death, transfer or total or partial redemption, they risk a loss in capital that cannot be calculated in advance.

Typical investor profile: this sub-fund is aimed at any natural person with adequate financial assets that are sufficiently stable over the duration of the protection, who wishes to benefit partially from the increase or the stability of the equity markets of the area concerned (Europe).

The proportion of the financial portfolio that it is reasonable to invest in this sub-fund may reflect some of the diversification of these stable financial assets, but must not constitute it all.

Information relating to US investors:

The delegated financial manager is not registered in the United States as an investment adviser.

The SICAV is not registered as an investment vehicle in the United States and its shares are not and will not be registered pursuant to the Securities Act of 1933; consequently, they may not be offered to the Restricted Persons defined below.

Restricted Persons are: (i) any person or entity located in the territory of the United States (including US residents), (ii) any company or other entity governed by the laws of the United States or one of its States, (iii) all United States military personnel or any employee linked to a US department or government agency located outside of the territory of the United States, or (iv) any other person who is considered as a US Person pursuant to Regulation S of the Securities Act of 1933, as amended.

Furthermore, the SICAV's shares may not be offered or sold to employee benefit plans or to entities whose assets are assets of employee benefit plans, whether subject or not to the provisions of the United States Employee Retirement Income Securities Act of 1974, as amended.

FATCA clause:

By virtue of the provisions of the Foreign Account Tax Compliance Act ("FATCA") applicable as of 1 July 2014, if the SICAV is invested directly or indirectly in US assets, any income deriving from such investments may be liable for a 30% withholding tax.

To avoid having to pay a 30% withholding tax, France and the United States have signed an intergovernmental agreement by virtue of which foreign financial institutions agree to set up a procedure to identify direct or indirect investors who qualify as US taxpayers and to send certain information on these investors to the French tax authorities, which shall forward the information to the US Internal Revenue Service.

The SICAV, as a foreign financial institution, undertakes to comply with the FATCA and take all measures stemming from the aforementioned intergovernmental agreement.

Automatic exchange of information (AEOI):

In order to meet its Automatic Exchange of Information (AEOI) obligations, the SICAV may be required to gather and disclose information on its shareholders to third parties, including the tax authorities, in order to transfer it to the jurisdictions concerned. This information may include (but is not limited to) the identity of shareholders and their direct or indirect beneficiaries, ultimate beneficiaries and the persons controlling them. Shareholders will be required to comply with any request made by the SICAV to provide information enabling the SICAV to comply with its reporting obligations.

For further information regarding their specific situation, shareholders should consult an independent tax advisor.

RECOMMENDED MINIMUM INVESTMENT PERIOD: Three years**■ Methods for determining and allocating income:**

Allocation of net income: accumulation and/or distribution. The SICAV reserves the right to accumulate and/or distribute the net income in full or in part, or to carry it forward. It may decide to distribute interim dividends on net income.

Allocation of net realised capital gains: accumulation and/or distribution. The SICAV reserves the right to accumulate and/or distribute net realised capital gains in full or in part, or to carry them forward. It may decide to distribute interim dividends on net realised capital gains.

Interest is recorded using the interest received method.

■ **Characteristics of the shares:**

ISIN code	Allocation of distributable income	Base currency	Initial net asset value	Minimum subscription amount	Target investors
FR0013249422	Net income: Accumulation and/or distribution Net realised capital gains: accumulation and/or distribution	EUR	€100	Initial subscription: 1 thousandth of a share or the equivalent in euros Subsequent subscriptions: 1 thousandth of a share or the equivalent in euros	All investors

■ **Distribution frequency:**

Annual, if applicable

■ **Subscription and redemption procedures:**

Subscription and redemption requests are cleared by BNP Paribas Securities Services from Monday to Friday up to 1.00 p.m. Paris time, and are executed on the basis of the following day's net asset value (i.e. order received up to 1.00 p.m. on day D for execution at the net asset value dated D+1). Subscription or redemption requests are settled within five days of the date upon which the net asset value is calculated.

Requests received on Saturdays are cleared on the next business day.

Subscription requests can be expressed as an amount, in whole units or fractions of shares and redemption requests in whole units or fractions of shares, with each share being split into thousandths of a share.

Minimum subscription amount:

Initial and subsequent: one thousandth of a share

■ **Date and frequency of calculation of net asset value:**

Daily, except for Saturdays, Sundays, statutory public holidays in France, and days on which the French markets are closed (according to the official Euronext calendar).

■ **Charges and fees:**

Maximum subscription and redemption fees:

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees charged by the sub-fund serve to offset the costs incurred by the sub-fund when investing and disinvesting investors' monies. The remaining fees are paid to the financial manager, the promoter, etc.

Charges payable by the investor, deducted at the time of subscription and redemption	Basis	Rate scale
Subscription fee not accruing to the sub-fund	net asset value × number of shares	maximum 2%
Subscription fee accruing to the sub-fund	-	None
Redemption fee not accruing to the sub-fund	-	None
Redemption fee payable to the sub-fund	-	None

Fees charged to the sub-fund:

These fees cover the financial management fees of the financial manager, administrative management fees external to the delegated financial manager, and the maximum indirect fees (management fees and charges).

The fees charged may also include:

- Performance fees. These reward the delegated financial manager if the sub-fund exceeds its objectives;
- Transaction fees;

Fees charged to the sub-fund (incl. tax):	Basis	Rate scale
Financial management fees (incl. tax)	Net assets	maximum 0.27%
Administrative fees external to BNP PARIBAS ASSET MANAGEMENT France (incl. tax)	Net assets	maximum 0.33%
Maximum indirect fees (incl. tax)	Net assets	maximum 0.10%
Transaction fees	-	None
Performance fee	-	None

Shareholders will not be personally informed of an increase of less than or equal to 0.10% per calendar year in administrative fees external to BNP PARIBAS ASSET MANAGEMENT France, and will not be offered the opportunity to redeem their shares without charge. Information will be notified to shareholders by any means in accordance with AMF instruction no. 2011-19.

Information for foreign investors:

Investors residing in Italy may need to appoint the Paying Agent to act as their representative (the “Representative”) for all transactions on their shares in the sub-fund.

Acting on this authorisation, the Representative must:

- send subscription, redemption and conversion requests to the sub-fund, grouped by share class, sub-fund and distributor;
- be entered in the sub-fund register under their own name “on behalf of a third party”; and
- exercise their voting rights (if any) in accordance with the investor’s instructions.

The Representative must keep an up-to-date electronic directory with the investors’ contact details and the number of shares held. The shareholder’s status should be confirmed in a letter sent by the Representative to the investor.

Investors may need to pay additional fees in respect of the Representative’s activities.

In addition, savings plans, or redemption or conversion plans may be eligible in Italy and may be subject to additional charges.

For more information, investors residing in Italy should read the subscription form available from their usual distributor.

Overview of the procedure for selecting intermediaries:

The relationship between BNP PARIBAS ASSET MANAGEMENT France and financial intermediaries is governed by a set of formal procedures, organised by a dedicated team reporting to the Chief Investment Officer and to the Risk Management manager.

Any relationship entered into is subject to an approval procedure in order to minimise the risk of default during transactions on financial instruments traded on regulated or organised markets (money market instruments, bonds and interest rate derivatives, paper securities and equity derivatives). The criteria used for the counterparty selection procedure are as follows: the ability to offer competitive intermediation costs, the quality of order execution, the accuracy of research services provided to users, their availability to discuss and argue the case for their assessments, their ability to offer a range of products and services (whether extensive or specialist) corresponding to the needs of BNP PARIBAS ASSET MANAGEMENT France, and their ability to optimise the administrative processing of transactions. The weight assigned to each of these criteria will depend on the nature of the investment process concerned.

III – COMMERCIAL INFORMATION

III.1 – SHARE SUBSCRIPTION AND REDEMPTION PROCEDURES

In accordance with the provisions of the prospectus, the sub-fund's shares may be subscribed and redeemed at branches of BNP PARIBAS and, where applicable, through financial intermediaries affiliated to Euroclear France.

III.2 – NOTIFICATION OF SHAREHOLDERS:

COMMUNICATION OF THE PROSPECTUS, KEY INVESTOR INFORMATION DOCUMENTS, LATEST ANNUAL AND SEMI-ANNUAL REPORTS:

The prospectus, Key Investor Information Documents and latest annual and semi-annual reports shall be sent to shareholders within eight working days upon written request by the shareholder to BNP PARIBAS ASSET MANAGEMENT France– Client Services Department – TSA 47000 – 75318 Paris Cedex 09.

These documents are also available online at: www.bnpparibas-am.fr.

The Voting Policy document and the report setting out the conditions under which the voting rights were exercised can be consulted upon request to the Marketing & Communication Department – TSA 47000 – 75318 Paris Cedex 09 or on the website at www.bnpparibas-am.com.

The lack of response to a request for information relating to the vote on a resolution, after a one-month period, should be interpreted as indicating that the financial manager has voted in accordance with the principles established in the “voting policy” document and the proposals of governing bodies.

Additional information may be obtained if necessary from BNP PARIBAS branches.

METHODS OF COMMUNICATION OF THE NET ASSET VALUE:

The net asset value can be viewed in BNP PARIBAS branches and on the website www.bnpparibas-am.com.

MEDIA ON WHICH INVESTORS CAN FIND INFORMATION ABOUT ESG CRITERIA:

ESG standards (environmental, social and quality of governance) as defined in BNP PARIBAS ASSET MANAGEMENT France's Responsible Investment Policy are available on the website www.bnpparibas-am.com.

IV – INVESTMENT RULES

The applicable investment rules, regulatory ratios and transitional provisions, pursuant to the regulations as they currently stand, stem from the French Monetary and Financial Code.

The main financial instruments and investment techniques used by the SICAV are described in Chapter II.2 “Specific provisions” of the prospectus.

V – OVERALL RISK

For the BNP PARIBAS OBLISELECT GLOBAL HIGH YIELD 2019 and BNP PARIBAS SUSTAINABLE BOND EURO SHORT TERM sub-funds, the total risk is calculated using the commitment method.

For the sub-fund BNP PARIBAS PRE2MIUM, the total risk on futures markets is calculated using the absolute Value at Risk (VaR) method, measured with a 99% confidence interval and a holding period of 20 business days. This commitment is limited to 20% of the sub-fund's net asset value.

For information, the expected gross leverage of the sub-fund, calculated as the sum of the nominal positions on the derivative financial instruments used, is 300%. However, it may reach a higher level.

VI – ASSET VALUATION AND ACCOUNTING RULES

VI.1 – ASSET VALUATION RULES

The SICAV complies with the accounting rules laid down by the regulations in force, and with the chart of accounts for mutual funds in particular.

The accounting currency is the euro.

All the transferable securities comprising the portfolio are recorded using the historical cost method, excluding fees.

Securities, futures and options held in the portfolio and denominated in currency are converted to the accounting currency based on exchange rates observed in Paris on the valuation day.

The portfolio is valued at the time of each net asset value and when the accounts are closed, using the following methods:

Transferable securities

- listed securities: at market value - including accrued interest (day's closing price)

However, transferable securities whose price was not recorded on the valuation day or whose price was adjusted, as well as securities that are not traded on a regulated market, are valued under the management company's responsibility [if SICAV: or that of the board of directors of the SICAV) at their probable trading value.

- undertakings for collective investment: at the last-known net asset value, failing which at the last estimated value.

- debt securities and similar transferable securities that are not traded in high volumes are valued by applying an actuarial method, the rate used being that applicable to the issuance of similar securities to which is added, where appropriate, a spread consistent with the intrinsic characteristics of the issuer. In the absence of sensitivity, securities with a residual maturity of three months are valued at the most recent rate until they mature; for those with maturities of less than three months, interest is calculated on a straight-line basis

Bonds are valued at their BID price.

- temporary purchases and sales of securities:

- reverse repurchase agreements with a residual maturity of three months or less: individualisation of the receivable on the basis of the contract price. In such cases interest is calculated on a straight-line basis.

- repurchase agreements with a residual maturity of three months or less: market value. Debt valued on the basis of the contractual value is recorded as a liability on the balance sheet. In such cases interest is calculated on a straight-line basis.

- securities lending: the claim represented by loaned securities is valued at the market value of said securities.

Futures and options

- Interest rate swaps:

- for swaps maturing in less than three months, interest is calculated on a straight-line basis
- swaps maturing in more than three months are revalued at their market value.

Synthetic products (combining a security with a swap) are accounted for on an overall basis. Interest on swaps due within the framework of these products is valued on a straight-line basis.

Off-balance sheet swap commitments correspond to the nominal amount plus the interest of the borrowing leg.

- Futures: previous day's settlement price.

Off-balance sheet valuations are calculated on the basis of the nominal amount, the previous day's settlement price and, where appropriate, the exchange rate.

Securities received as collateral are valued on a daily basis at the market price.

VI.2 – Accounting method

Income is accounted for using the interest received method.

VII – REMUNERATION

The management company's remuneration policy has been designed to protect clients' interests, to prevent conflicts of interest and to ensure that there is no incentive to take excessive risks.

It applies the following principles: paying for performance, sharing wealth creation, aligning the long-term interests of employees and the company and encouraging an element of employee financial participation in risks.

Details of the up-to-date remuneration policy, including in particular the persons responsible for awarding remuneration and benefits and a description of how they are calculated, are available online at <http://www.bnpparibas-am.com/en/remuneration-disclosure/>. Paper copies are available free of charge from the management company, on written request.

Publication date of the prospectus: 2 August 2018
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BNP PARIBAS SELECT

Open-ended Investment Company (SICAV)
Registered office: 1, boulevard Haussmann – 75009 Paris
453 711 624 RCS PARIS

ARTICLES OF ASSOCIATION

**Updated following the Extraordinary General Meeting
of 22 April 2015**

TITLE I

LEGAL FORM – OBJECT – NAME – REGISTERED OFFICE TERM OF THE COMPANY

Article 1 – Form

An Open-Ended Investment Company (Société d'Investissement à Capital Variable - SICAV) governed in particular by the provisions of the French commercial code (Code de commerce) relating to limited companies (Book II – Title II – Chapter V), the French monetary and financial code (Code monétaire et financier) (Book II – Title I – Chapter IV - section I - sub-section I), the applicable texts, any subsequent texts and these Articles of Association, is hereby formed between the holders of the shares created herein below and any shares created subsequently.

The Board of Directors may create share categories, in accordance with the regulations in force.

According to article L. 214-5 of the French Monetary and Financial Code, the SICAV may comprise one or more sub-fund(s). In this event, each sub-fund issues shares representing the assets of the SICAV that have been allocated to it.

As an exception to the principle of self-sufficiency of the sub-funds established by article L.214-5 of the French Monetary and Financial Code, the Board of Directors may decide that the sub-funds are financially supportive.

In application of the regulations in force, the Board of Directors may decide to convert the SICAV (or one or more of its sub-funds) into a feeder SICAV or, where applicable, into a feeder sub-fund or sub-funds of another UCITS, known as the master fund (or of their respective UCITS).

Article 2 – Object

The company's object is to construct and manage a portfolio of financial instruments and deposits.

Article 3 – Name

The company's name is **BNP PARIBAS SELECT** followed by the words "Société d'Investissement à Capital Variable", with or without the abbreviation "SICAV".

Article 4 – Registered office

Its registered office is at 1, boulevard Haussmann – 75009 Paris.

Article 5 – Term

The term of the company is set at 99 years, starting from the date it is registered at the Trade and Companies Register, except in the event of early dissolution or extension, as provided for in these Articles of Association.

TITLE II SHARE CAPITAL – CHANGES IN THE SHARE CAPITAL CHARACTERISTICS OF THE SHARES

Article 6 — Share capital

The SICAV's initial capital is EUR 8,000,000, divided into 8,000 fully paid-up shares of one category.

It was formed by the payment of EUR 8,000,000 in cash.

If the SICAV is a SICAV with sub-funds, each sub-fund issues categories of shares representing the assets of the SICAV that have been allocated to it. In this event, the provisions of these Articles of Association that apply to the SICAV's shares shall apply to the categories of shares issued to represent each sub-fund's assets.

If the SICAV issues more than one category of shares, the characteristics of the various share categories and their eligibility requirements are described in the prospectus.

The different unit classes may:

- benefit from different dividend policies (distribution or accumulation);
- be denominated in different currencies;
- bear different management fees;
- be charged different subscription and redemption fees;
- have a different nominal value;
- be systematically hedged against risk, in part or in full, as defined in the prospectus. This hedge is created using financial instruments that reduce to a minimum the impact of the hedging transactions on the Fund's other unit classes;
- be reserved for one or several distribution networks.

The shares may be split or reverse split by decision of the Extraordinary General Meeting.

The Board of Directors of the SICAV may decide to sub-divide the shares into tenths, hundredths, thousandths or ten thousandths, referred to as fractions of shares.

The provisions of the Articles of Association governing the issue and redemption of shares shall also apply to fractions of shares, whose value shall always be proportionate to that of the share they represent. Unless stipulated otherwise, all the other provisions of the Articles of Association relating to the shares shall apply automatically to fractions of shares.

Article 7 – Changes in the share capital

The amount of the capital may change as a result of the company issuing new shares, or may be reduced if the company buys back shares from shareholders who request it to do so.

Article 8 – Issuance and redemption of shares

The SICAV's shares shall be issued at any time when requested by shareholders (and unitholders), on the basis of their net asset value plus any applicable subscription fees.

Redemptions and subscriptions are executed under the conditions and according to the procedures defined in the prospectus.

Any subscription of new shares must be fully paid up, failing which they shall be invalid, and the shares issued shall enjoy the same rights as the shares outstanding on the day of issuance.

Pursuant to Article L.214-7-4 of the French Monetary and Financial Code, if exceptional circumstances and the interests of the shareholders so dictate, the Board of Directors may temporarily suspend redemptions of the company's shares or the issue of new shares.

The Board of Directors may set a minimum subscription amount, or number of shares.

If the net assets of the SICAV (or, where applicable, a sub-fund thereof) fall below the amount set by the regulations, no redemption may be carried out (in the relevant sub-fund, as applicable).

The SICAV may cease to issue shares pursuant to sub-paragraph 3 of article L.214-7-4 of the French Monetary and Financial Code in situations that objectively require the closure of subscriptions, such as when the maximum number of units or shares has been issued, a maximum amount of assets has been reached or a specific subscription period has expired. These objective situations are described in the prospectus of the SICAV.

Article 9 - Calculation of the net asset value

The net asset value of the share is calculated in accordance with the valuation rules set out in the prospectus.

Furthermore, the market maker will calculate an indicative real-time net asset value if the SICAV is admitted to trading.

Contributions in kind may comprise only stocks, securities, or contracts admissible as assets of UCITS; they are valued according to valuation rules governing the calculation of the net asset value.

If the SICAV is a feeder fund (or has one or more feeder sub-funds), the net asset value of the shares of the SICAV (or of the feeder sub-fund(s)) shall be calculated taking the net asset value of the master fund (or their respective master UCITS) into account.

Article 10 - Form of the shares

Shares may be issued in bearer form or registered form.

In application of Article L.211-4 of the French Monetary and Financial Code, the securities must be registered on accounts held either by the issuer or by an authorised intermediary.

Shareholders' rights shall be represented by an account entry in their name:

- with the intermediary of their choice, for bearer shares,
- with the issuer and, if they wish, with the intermediary of their choice for registered shares.

In application of Article L.211-5 of the French Monetary and Financial Code, the SICAV may ask, at its own expense, for the names, nationalities and addresses of the SICAV's shareholders, and the number of shares held by each.

Article 11 – Admission for trading on a regulated market

The shares may be admitted for trading on a regulated market in accordance with the legislation in force.

In this event, the SICAV must have a system in place to ensure that the price of its shares does not deviate significantly from its net asset value.

Article 12 — Rights and obligations attached to the shares

Each share shall grant a right of ownership in the company's assets and a share of the profits in proportion to the fraction of the capital that it represents.

The rights and obligations associated with each share remain with that share when it changes hands.

Whenever it is necessary to own a certain number of shares to exercise a particular right, in particular in the event of an exchange or reverse split of shares, owners of single shares and shareholders who do not own the requisite number of shares must personally arrange the grouping, and where necessary the purchase or sale of the shares required.

If the SICAV (or where applicable one or more of its sub-funds) is a feeder SICAV (or a feeder sub-fund or sub-funds), the shareholders of the feeder SICAV (or of the feeder sub-fund or sub-funds) shall receive the same information as if they were unitholders or shareholders in the master UCITS (or their respective master UCITS).

Article 13 – Indivisibility of shares

All the joint holders or beneficiaries of a share are required to arrange to be represented vis-à-vis the company by one person appointed by mutual agreement or, failing that, by the President of the Commercial Court in the jurisdiction of the registered office.

If the shares have been subdivided in application of Article 6 hereof, the owners of fractional shares may organise themselves in groups. In this case they must arrange to be represented by one person, under the conditions provided for in the preceding paragraph, who shall exercise the rights associated with the ownership of one share.

**TITLE III
GOVERNANCE AND MANAGEMENT OF THE COMPANY**

Article 14 – Governance

The company shall be managed by a Board of Directors comprising at least three but no more than eighteen members appointed by the General Meeting.

During the company's term, the Directors shall be appointed or reappointed by the Ordinary General Meeting of the shareholders.

Directors may be individuals or legal entities. On their appointment, the Directors must appoint a permanent representative, who shall be subject to the same terms, conditions and obligations and shall incur the same liabilities as if he were a member of the Board of Directors in his own right, without prejudice to the liability of the legal entity that he represents.

A permanent representative's term of office shall be granted for the duration of the term of office of the legal entity that he represents. If the legal entity terminates its representative's appointment, it must inform the SICAV immediately by recorded delivery letter of such termination and the identity of its new permanent representative. The same shall apply in the event of the permanent representative's death, resignation or prolonged unavailability.

Article 15 – Directors' term of office – Reappointment of the Board

Subject to the provisions of the last paragraph of this article, the directors shall be appointed for three years at most. One year shall be understood to be the interval between two consecutive Annual General meetings.

In the event of the resignation or death of a director, and if the number of directors remaining in their posts is equal to or more than the statutory minimum, the Board may make temporary provision for the replacement of said director for the remainder of his term of office. His/her appointment shall be approved at the next Ordinary General Meeting.

Any outgoing Director may be re-appointed. They may be removed from office by an Ordinary General Meeting at any time.

Each Board member's term of office shall end at the close of the Ordinary General Meeting of shareholders that approves the financial statements for the previous financial year and is held in the year during which the term of office expires. If a general meeting is not held during the year, the Director's term of office shall end on 31 December of the same year, subject to the exceptions set out below.

Any Director may be appointed for a term of less than three years if this is necessary to ensure that the renewal of the Board's membership remains as consistent and comprehensive as possible during each three-year period. This rule shall apply, for instance, if the number of Directors is increased or reduced, affecting the consistency of renewals.

If the number of members on the Board of Directors falls below the legal minimum, the remaining member(s) must immediately convene a General Meeting of shareholders in order to appoint the necessary number of members.

Article 16 – Organisation of the Board

The Board shall elect one of its members as Chairman of the Board of Directors for a period of its choosing, but which may not exceed his term of office as a director. The Chairman must be an individual.

The Chairman shall organise and oversee the work of the Board of Directors and report thereon to the General Meeting. He shall monitor the smooth running of the company's managing bodies and shall in particular ensure that the Directors are in a position to perform their tasks.

If he deems it necessary, he shall also appoint a Deputy Chairman and may also choose a Secretary, who need not be a Board member.

Subject to the international treaties, the Chairman of the Board of Directors and, where appropriate, the Director temporarily appointed to fulfil some or all of the Chairman's functions, the Chief Executive Officer and at least two thirds of the directors must be French or nationals of an EU member state.

The office of the Chairman of the Board of Directors shall terminate automatically after he reaches his 75th birthday.

Article 17 – Board meetings and deliberations

The Board of Directors shall meet when convened by the Chairman as often as the company's interests require, either at the registered office or in any other place indicated in the meeting notice.

If the Board has not met for more than two months, at least one third of its members may ask the Chairman to convene the Board to deliberate a specific agenda. The Chief Executive Officer may also ask the Chairman to convene the Board of Directors to deliberate a specific agenda. These requests shall be binding upon the Chairman.

Invitations shall be sent by any means, including verbally.

The conditions under which the meetings of the Board of Directors are held, which may include videoconferencing other than for the adoption of decisions expressly excluded therefrom by the French Commercial Code, may be determined by internal regulations in accordance with the legal and regulatory provisions.

At least half of the members must be present for the Board to deliberate validly.

Decisions shall be taken by the majority of members present or represented.

Each Director shall have one vote. In the event of an evenly split vote, the Chairman of the Board or the Chairman of the session has the casting vote.

If videoconferencing facilities are allowed, internal rules may provide, in accordance with the regulations in force, that Directors using the videoconferencing facilities to attend the Board meeting will be deemed present when calculating the quorum and majorities.

Article 18 – Minutes

Minutes shall be drafted and copies or extracts of the deliberations shall be issued and certified in accordance with the law.

Article 19 – Powers of the Board of Directors

The Board of Directors shall define the policies governing the company's activities and shall monitor their implementation. Subject to the powers expressly reserved by law for shareholders' meetings and within the limit of the company's object, it shall consider any issues concerning the proper functioning of the company and shall settle all matters concerning the company.

The Board of Directors shall carry out any inspections and checks that it deems appropriate.

The Chairman or CEO of the company is required to send each director all the documents and information the Board requires to perform its role successfully.

It may decide to create an Advisory Committee tasked with examining matters that it or the Chairman submit to it for examination. It shall determine the composition and attributions of the Committee, which will carry out its activities under its responsibility. It shall also set the remuneration of the members of the Advisory Committee and any reimbursable expenses.

The Board of Directors shall set the remuneration and reimbursable expenses of the Chairman and the Chief Executive Officer, as well as any special representatives and the secretary of the Board.

Article 20 - Executive Management - Observers

The general management of the Company is undertaken, under his responsibility, either by the Chairman of the Board of Directors or by another individual appointed by the Board of Directors and bearing the title of managing director.

The choice between these two executive management operating methods shall be made under the conditions set hereunder by the Board of Directors for a period ending on the expiry of the office of the incumbent Chairman of the Board of Directors. Shareholders and third parties shall be informed of this choice under the conditions laid down by the legislative provisions and the regulations in force.

Depending on the choice made by the Board of Directors in accordance with the above provisions, executive management shall be the responsibility of either the Chairman or the Chief Executive Officer.

If the Board of Directors chooses to separate the functions of Chairman and Chief Executive Officer, it shall appoint the Chief Executive Officer and set the term of his appointment.

If the Chairman of the Board of Directors is responsible for the company's Executive Management, the following provisions relating to the Chief Executive Officer shall apply.

Subject to the powers that the law expressly reserves for shareholders' meetings and to the powers that it specifically reserves for the Board of Directors, and within the limit of the company's object, the Chief Executive Officer shall be vested with the broadest powers to act in the company's name in any circumstances.

He shall represent the Company in its dealings with other parties.

The Chief Executive Officer may be removed from office at any time by the Board of Directors.

The Chief Executive Officer may delegate some of his powers to any person of his choice.

Pursuant to a motion by the Chief Executive Officer, the Board of Directors may appoint up to five individuals responsible for assisting the Chief Executive Officer, to be known as the Deputy Chief Executive Officer(s). Deputy Chief Executive Officers may be removed from office at any time by the Board of Directors pursuant to a motion by the Chief Executive Officer.

In conjunction with the Chief Executive Officer, the Board of Directors shall set the scope and duration of the powers granted to the Deputy Chief Executive Officers.

These powers may include the facility to delegate some of their powers. Unless decided otherwise by the Board of Directors, the Deputy Chief Executive Officer(s) shall remain in office and shall retain their powers in the event of the departure or unavailability of the Chief Executive Officer until a new Chief Executive Officer has been appointed.

Deputy Chief Executive Officers shall have the same powers as the Chief Executive Officer vis-à-vis third parties.

The General Meeting may appoint one or more Observers (individuals or legal entities).

The Board of Directors may also appoint Observers subject to ratification by the next General Meeting.

In the event of the resignation or death of an Observer, the Board may make temporary provision for the replacement of said Observer for the remainder of his term of office. His/her appointment shall be approved at the next Ordinary General Meeting.

Observers shall be appointed for three years. An Observer's term of office shall terminate at the end of the Ordinary General Meeting called to approve the financial statements for the previous year and held during the year in which the Observer's term of office expires.

Observers may be re-appointed. They may not simultaneously be a Director or Auditor of the company.

Observers are invited to the Board's meetings and participate in deliberations in an advisory capacity.

Article 21 – Attributions and remuneration of the Board of Directors (and Observers)

The Board of Directors (and the Observers) may receive, as remuneration for their duties, a fixed annual fee in the form of a director's fee in an amount set by the General Meeting, which shall remain unchanged until the General Meeting decides otherwise.

The Board of Directors shall award this remuneration in the proportions it deems appropriate.

Article 22 – Depositary

The depositary is appointed by the Board of Directors.

The depositary is responsible for carrying out the tasks which are its responsibility pursuant to laws and regulations in force as well as those entrusted to it contractually by the SICAV. It must in particular ensure that decisions taken by the SICAV or by its delegated financial, administrative and accounting manager are lawful. Where applicable, it must take all protective measures that it deems necessary. In the event of a dispute with the SICAV or with its delegated financial, administrative and accounting manager, it informs the AMF.

If the SICAV is a feeder SICAV, or has one or several feeder sub-funds, the depositary will have entered into an agreement to exchange information with the depositary of the master UCITS (or, if the depositary is also the depositary of the master UCITS, it draws up suitable terms and conditions).

Article 23 – Prospectus

The SICAV's Board of Directors or delegated financial, administrative and accounting manager, when the SICAV has given overall management delegation, shall have full authority to make any amendments thereto that may be necessary for the proper management of the company, in compliance with the laws and regulations that apply to SICAVs.

TITLE IV

STATUTORY AUDITOR

Article 24 – Appointment – Powers – Remuneration

The statutory auditor shall be appointed by the Board of Directors for six financial years, with the approval of the French financial markets authority, from persons authorised to exercise this role for commercial companies.

The statutory auditor certifies that the accounts are fair and lawful.

The statutory auditor's mandate may be renewed.

The statutory auditor must inform the AMF promptly of any event or decision concerning the Fund observed during the course of its engagement, which might:

- constitute a violation of the legislative and regulatory provisions applying to the Fund and which could have a significant effect on its financial situation, results or assets;
- undermine the conditions or continuity of its operations;
- give rise to the expression of reserves or a refusal to certify the accounts.

The statutory auditor shall supervise the valuation of the assets and determination of exchange ratios used in the event of a conversion, merger or split. It shall evaluate any contribution under its own responsibility.

The statutory auditor checks the composition of the assets and other information before publication.

The statutory auditor's fees shall be set by mutual agreement between the auditor and the SICAV's Board of Directors on the basis of an audit schedule setting out the work deemed necessary.

The statutory auditor shall certify statements used as the basis for the payment of interim dividends.

If the SICAV (or where appropriate a sub-fund), is a feeder:

- the statutory auditor has therefore entered into an agreement for the exchange of information with the statutory auditor of the master fund; or
- if it is the statutory auditor of the feeder SICAV (or feeder sub-fund) and of the master UCITS, it will draw up an appropriate audit schedule.

A substitute statutory auditor, called upon to replace the incumbent in the event of refusal, incapacity, resignation or death, may be appointed under the same conditions.

The office of the substitute statutory auditor called upon to replace the incumbent will end on the expiration date of the mandate entrusted to the latter, unless the impediment is not temporary. In the latter case, when the impediment ceases, the incumbent resumes duties after the approval of the accounts by the General Meeting or the competent body.

TITLE V GENERAL MEETINGS

Article 25 – General Meetings

General Meetings shall be convened and shall deliberate under the conditions provided for by law.

The Annual General Meeting, which must approve the company's financial statements, must meet within four months of the end of the financial year.

Meetings shall take place either at the registered office or at any other location specified in the notice to attend.

Any shareholder may participate in the meetings, in person or by proxy, on production of proof of identity and ownership of the securities in the form of either a registration in the name of the shareholder, or the deposit of their bearer securities, or the certificate of deposit, at the locations mentioned in the meeting notice. These formalities must be completed at least two days before the date of the Meeting.

A shareholder can be represented in accordance with the provisions of article L. 225-106 of the French commercial code.

Shareholders may also vote by post, under the conditions laid down in the regulations in force.

Meetings shall be chaired by the Chairman of the Board of Directors, or, in his absence, by a Vice-Chairman or by a Director specifically appointed for this purpose by the Board. Failing this, the Meeting shall appoint its own Chairman.

Minutes of shareholders' meetings shall be drawn up, copies of which shall be certified and issued in accordance with the law.

TITLE VI ANNUAL FINANCIAL STATEMENTS

Article 26 – Financial year

The company's financial year shall begin on the day after the last trading day of December and shall end on the last trading day of the same month in the following year.

By decision dated 25 October 2010, the Extraordinary General Meeting of the SICAV has decided to move the dates of the beginning and end of the financial year to the day after the last trading day of December and the last trading day of the same month of the following year.

Accordingly, as an exception, the SICAV had a three-month financial year starting on 1 October 2010 and ending on 31 December 2010.

Article 27 – Appropriation of distributable sums

The Board of Directors shall approve the net income for the financial year, which shall, in accordance with the provisions of the law, be equal to the amount of interest, arrears, premiums and prizes, dividends and director's fees and any other income generated by the securities held in the SICAV's portfolio (and/or each sub-fund), plus any income generated by temporary cash holdings, less the management fees, debt servicing costs and any depreciation allowances.

Distributable income is composed of:

- 1) the net income for the financial year plus any retained earnings, plus or minus the balance of the income equalisation accounts for the previous financial year;
- 2) capital gains realised during the financial year, net of charges, plus any net capital gains of the same type recognised during previous financial years that were not distributed or accumulated, plus or minus the balance on the capital gains equalisation accounts.

The sums mentioned in points 1) and 2) above may, where appropriate, be distributed in full or in part and independently of each other.

For each share category, if any, the SICAV may select, for each of the sums mentioned under 1) and 2), one of the following options:

- pure accumulation: distributable income shall be fully accumulated, with the exception of those amounts that are subject to compulsory distribution by law.
- pure distribution: the sums are distributed in full, after rounding to the nearest figure. The Board of Directors may decide during the financial year to pay one or more interim dividends, up to the limit of the net income recorded on the accounts on the date of the decision;
- accumulation and/or distribution: the General Meeting of shareholders shall decide on the appropriation of the sums mentioned under 1) and 2) each year.

The Board of Directors may decide during the financial year to pay one or more interim dividends, up to the limit of the net income recorded on the accounts on the date of the decision.

Dividends not claimed within five years of the payment date shall be forfeited in accordance with the law.

The specific appropriation arrangements for distributable income are described in the prospectus.

TITLE VII
EXTENSION – DISSOLUTION – LIQUIDATION

Article 28 – Early extension or dissolution

The Board of Directors may, at any time and for any reason whatsoever, propose the extension or early dissolution and liquidation of the SICAV to an Extraordinary General Meeting.

The issue of new shares and the redemption by the SICAV of shares from the shareholders who so request shall cease on the day the notice convening the General Meeting at which the early dissolution and liquidation of the company, or expiry of the term of the company, is published.

Article 29 – Liquidation

The terms of the liquidation will be determined in accordance with the provisions of Article L. 214-12 of the French Monetary and Financial Code.

The assets of the sub-funds shall be distributed to these sub-funds' respective shareholders.

TITLE VIII
DISPUTES

Article 30 - Competent courts - Jurisdiction

Any disputes that may arise during the term of the company or during its liquidation, either between the shareholders and the company or between the shareholders themselves, in relation to the company's affairs, shall be judged in accordance with the law and referred to the jurisdiction of the competent courts for the registered office.

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