

# PARWORLD

Luxembourg SICAV – UCITS category

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

Luxembourg Trade and Companies Register n° B 77.384

## Notice to shareholders

Luxembourg, 31<sup>st</sup> August 2018

Dear Shareholders,

We hereby inform you of the following changes which are reflected in the version of the Prospectus dated October 2018, and will be effective on 1<sup>st</sup> October 2018 (Order Trade Date).

### CHANGES APPLICABLE TO THE SICAV (BOOK I)

#### 1. “Appendix 2”

- Update of section 3 “TRS”
- Update of section 3 “TRS” table, since the following sub-funds will not use TRS as part of their investment policy:
  - “Absolute Return Equity Neutral”
  - “Champions Europa”
  - “Champions Mondo PMI”
  - “Champions Mondo PMI 2”
  - “Champions Mondo Genius & Relax”
- Deletion of all references to securities lending, since such securities lending are not used.
- Update of section 4 “SFT” table, since the “Flexible Convertible Bond” sub-fund will use Repurchase Transactions as part of their investment policy: The expected level of Repurchase transactions / NAV have increased from N/A (non-applicable) to:
  - 10% (level expected)
  - 20% (level maximum)

As stated into the investment policy of “Flexible Convertible Bond” sub-fund, repurchase transactions are used for efficient portfolio management with the aim of raising short term capital in order to enhance in a safe way the liquidity of the sub-fund as long as the conditions set out in Appendix 2 of Book I are met.

#### 2. “Appendix 3”

- Deletion of all references to securities lending, since such securities lending are not used.



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## CHANGES APPLICABLE TO SEVERAL SUB-FUNDS (BOOK II)

### 3. TRS

- In line with the above 1., the following sub-funds are not using TRS nor unfunded TRS anymore and therefore, the use of such financial instrument has been deleted from their investment policy:
  - “Absolute Return Equity Neutral”
  - “Champions Europa”
  - “Champions Mondo PMI”
  - “Champions Mondo PMI 2”
  - “Champions Mondo Genius & Relax”
- Since the following sub-funds use TRS, a specific footnote detailing the underlying strategy and composition of the index are described in Book II has been added:
  - “Multi-Asset Booster”
  - “Multi Factor Investing”
  - “Quant Equity Europe Guru”
  - “Quant Equity World Guru”
- In line with the above 1., the following sub-funds are not using securities lending and therefore, the use of such financial instrument has been deleted from their investment policy:
  - “Flexible Convertible Bond”
  - “Quant Equity Europe Guru”
  - “Quant Equity World Guru”

## CHANGES APPLICABLE TO SPECIFIC SUB-FUND (BOOK II)

### 4. “Lyra”

- The management fees (max) of the Classic share class have decreased from 1.20% to 1.15% since such decrease is more in line with our current practice applicable to this share class
- Details about the performance fee calculation method applicable to this sub-fund:
  - the definition of the « Performance Fee » of Book I has been amended to state that « Annual reset of the hurdle rate is performed at the start of each financial year
  - this means that as opposed to the previous situation, pursuant to which the hurdle rate was reset after any payment of performance fee, the hurdle rate, used to calculate the performance fee owed, is now reset at the beginning of each financial year.
  - the rationale of this change is to implement an annual reset of the performance fee. The annual reset for performance fee calculations implemented here differs from the usual performance fee set-up, since it will imply that the annual performance of the sub-fund will be compared to the annual hurdle rate performance for each year separately. Performance of previous years will not have any impact on the current financial year calculations. Furthermore, the high watermark is not impacted by the annual reset:
    - Without annual reset, we assess the performance after implementation of the high water mark and the hurdle without considering a specific period of time.
    - With annual reset, we assess the performance after implementation of the high water mark and the hurdle, the latter being now annually reset (at the beginning of each financial year). The high water mark mechanism will ensure that a performance fee is only paid in cases when the net asset value is above its first launch price and/or above the value reached at the last date of performance fee payment.

The difference between these two mechanisms may end with a difference in the result of the performance fee that is due to be paid. Due to the new performance fee method with annual reset of the hurdle, in some cases the sub-fund may generate a performance fee (as this mechanism doesn't take into account the performance of previous years), whereas such performance fee may not have been generated with the previous method without annual reset.



### ADDITIONAL INFORMATION

Additional clerical changes have been made to update and enhance the general wording of the Prospectus or to comply with new laws and regulations.

Terms or expression not defined in the present notice have the same meaning as in the Prospectus of the Company.

If your shares are held by a clearing house, we advise you to enquire about the specific terms applying to subscriptions, redemptions and conversions made via this type of intermediary.

Should you not approve these changes as holder of the concerned shares, you have the possibility to request the redemption of your shares free of charge **until 1<sup>st</sup> October 2018**.

***Please note that except for the newspaper publications required by Law, the official media going forward to obtain any notice to shareholders will be our website [www.bnpparibas-am.com](http://www.bnpparibas-am.com).***

Should you have any question, please contact our Client Service (+ 352 26 46 31 21 / [AMLU.ClientService@bnpparibas.com](mailto:AMLU.ClientService@bnpparibas.com)).

Best regards,

**The Board of Directors**