

# PARVEST

Luxembourg SICAV - UCITS class  
Registered office: 33 rue de Gasperich, L-5826 Hesperange  
Luxembourg Trade and Company Register No. B 33363

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE.**

## Notice to Shareholders

The following changes will be effective on 1<sup>st</sup> November 2013 and will be incorporated in the next version of the Hong Kong Offering Document in due course:

### Valuation Rules

Point 2 of the VALUATION RULES under the section “Net Asset Value” will be revised as follows:

“The value of shares or units in undertakings for collective investment shall be determined on the basis of the latest net asset value available on the Valuation Day; if this price is not a true reflection, the valuation shall be based on the probable sale price estimated by the Board of Directors in a prudent and bona fide manner;”

Point 3 of the VALUATION RULES under the section “Net Asset Value” will be revised as follows:

“The valuation of all securities listed on a stock exchange or any other regulated market, which functions regularly, is recognised and accessible to the public, is based on the closing prices on the order acceptance date, ~~or the price on the market day following that day for Asia markets,~~ and, if the securities concerned are traded on several markets, on the basis of the most recent price on the major market on which they are traded.

If this price is not a true reflection<sup>1</sup>, the valuation shall be based on the probable sale price estimated by the Board of Directors in a prudent and bona fide manner.

The Board of Directors use this possibility for the valuation of the securities listed on Asian and Pacific markets. In these cases, the aforesaid last known closing price is adjusted by using a method validated by the auditors of the Company to reflect a fair value price of the concerned assets<sup>2</sup>;”

Point 7 of the VALUATION RULES under the section “Net Asset Value” will be revised as follows:

“The Board of Directors is authorised to draw up or amend the rules in respect of the relevant valuation rates. Notwithstanding point 3 above the Board of Directors decided that in the sub-funds in which orders are accepted on the day preceding the Valuation Day, the valuation of the securities is based on the closing price on the Valuation Day.<sup>3</sup> Decision taken in this respect shall be included in the Book II;”

**Summary of the changes** – After revision of the valuation rules in the Prospectus, there will be two key changes:

- (i) Fair value pricing methodology will be adopted for securities listed on Asian and Pacific markets.
- (ii) For investments in other collective investment schemes (“CIS”) which are valued according to the latest available net asset value of the CIS, the Board of Directors has the discretion to use alternative valuation methodology in case the latest net asset value of the CIS is not a true reflection, such as for the CIS that do not have a frequent net asset value.

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<sup>1</sup> It means that due to market timing issues, the use of closing price on the order acceptance date is not an appropriate measure for valuing securities listed on Asian and Pacific markets.

<sup>2</sup> This refers to the fair value pricing which means the valuation based on probable sale price estimated by the Board of Directors in a prudent and bona fide manner.

<sup>3</sup> For the avoidance of doubt, none of the PARVEST subfunds authorized in Hong Kong fall under this situation.

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## Change of Investment Policies

### “PARVEST Equity Russia”

The use of financial derivative instruments will be restricted for hedging purpose only. The investment policy as mentioned in the Prospectus will be revised as follows:

Current Investment Policy	Revised Investment Policy
<p>This sub-fund invests at least 2/3 of its assets in shares or other similar securities of companies that have their registered offices or conduct the majority of their business activities in Russia and in financial derivative instruments on this type of asset. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferrable securities, money market instruments, financial derivative instruments or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.</p> <p>Certain markets are not currently considered to be regulated markets: direct investments on such markets must be limited to 10% of net assets. Russia is one of these non-regulated markets, except for the Russian Trading System Stock Exchange (“RTS Stock Exchange”) and the Moscow Interbank Currency Exchange (“MICEX”) which are considered to be regulated Russian markets and on which investments can exceed 10% of net assets.</p>	<p>This sub-fund invests at least 2/3 of its assets in shares or other similar securities of companies that have their registered offices or conduct the majority of their business activities in Russia <del>and in financial derivative instruments on this type of asset</del>. The remaining portion, namely a maximum of 1/3 of its assets, may be invested in any other transferrable securities, money market instruments, <del>financial derivative instruments</del> or cash, provided that investments in debt securities of any kind do not exceed 15% of its assets, and up to 10% of its assets may be invested in UCITS or UCI.</p> <p><del>Certain markets are not currently considered to be regulated markets: direct investments on such markets must be limited to 10% of net assets. Russia is one of these non-regulated markets, except for the Russian Trading System Stock Exchange (“RTS Stock Exchange”) and the Moscow Interbank Currency Exchange (“MICEX”) which are considered to be regulated Russian markets and on which investments can exceed 10% of net assets.</del></p> <p><u>The sub-fund may also use financial derivative instruments for hedging purpose only.</u></p>

## Increase Maximum “Other Fees” into all “Classic”, and “Privilege” categories

- From 0.25% to 0.30% in the “PARVEST Bond Asia ex-Japan”, “PARVEST Bond Best Selection World Emerging”, “PARVEST Bond USD”, “PARVEST Bond USD Government”, “PARVEST Bond World”, “PARVEST Bond World Emerging Corporate”, “PARVEST Bond World Emerging Local”, “PARVEST Bond World High Yield”, “PARVEST Bond World Inflation-linked” sub-funds;
- From 0.30% to 0.35% in the “PARVEST Convertible Bond Asia”, “PARVEST Convertible Bond World” sub-funds;
- From 0.35% to 0.40% in the “PARVEST Equity Best Selection Asia ex-Japan”, “PARVEST Equity Best Selection Europe”, “PARVEST Equity Brazil”, “PARVEST Equity BRIC”, “PARVEST Equity China”, “PARVEST Equity Europe Emerging”, “PARVEST Equity Europe Growth”, “PARVEST Equity Europe Mid Cap”, “PARVEST Equity High Dividend Europe”, “PARVEST Equity High Dividend Pacific”, “PARVEST Equity High Dividend USA”, “PARVEST Equity India”, “PARVEST Equity Indonesia”, “PARVEST Equity Japan”, “PARVEST Equity Latin America”, “PARVEST Equity Russia”, “PARVEST Equity Russia Opportunity”, “PARVEST

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Equity USA Growth”, “PARVEST Equity USA Mid Cap” , “PARVEST Equity World Consumer Durables”, “PARVEST Equity World Emerging”, “PARVEST Equity World Energy”, “PARVEST Equity World Finance”, “PARVEST Equity World Health Care”, “PARVEST Equity World Low Volatility”, “PARVEST Equity World Materials”, “PARVEST Equity World Technology”, “PARVEST Equity World Telecom”, “PARVEST Equity World Utilities”, “PARVEST Green Tigers”, “PARVEST Opportunities USA”, “PARVEST Real Estate Securities Pacific” and “PARVEST Real Estate Securities World” sub-funds.

## **Elaboration / Clarification of Investment Policies**

“PARVEST Bond World Inflation-linked” To better reflect the current practice, the sentence “*After hedging, the sub-fund’s exposure to currencies other than EUR may not exceed 5%.*” is added to the end of the investment policy.

“PARVEST Bond Asia ex-Japan”

To better reflect the current practice, the sentence “*After hedging, the sub-fund’s exposure to currencies other than USD may not exceed 5%.*” is added to the end of the investment policy.

“PARVEST Bond USD Government”

To better reflect the current practice, the terms “*issued and/or guaranteed by the US*” are replaced by “*issued and/or guaranteed by the US federal government*”

“PARVEST Convertible Bond World”

The maximum exposure to currencies other than EUR after hedging will be decreased from 25% to 5%

**“PARVEST Bond Best Selection Emerging” “PARVEST Bond World Emerging Corporate”, “PARVEST Bond World Emerging Local”, “PARVEST Equity BRIC”, “PARVEST Equity Europe Emerging”, “PARVEST Equity Russia”, “PARVEST Equity Russia Opportunity”, “PARVEST Equity World Emerging”**

Removal of the paragraph “Certain markets are not currently considered to be regulated markets: direct investments on such markets must be limited to 10% of net assets. Russia is one of these non-regulated markets, except for the Russian Trading System Stock Exchange (“RTS Stock Exchange”) and the Moscow Interbank Currency Exchange (“MICEX”) which are considered to be regulated Russian markets and on which investments can exceed 10% of net assets” because the sub-funds will no longer invest in non-regulated markets.

## **Subscription and conversion closing off**

The Board of Directors may decide, in the interest of the shareholders, to close a sub-fund, category and/or class for subscription or conversion in, in the condition and for the time it decides.<sup>4</sup>

## **Change of fund name**

“PARVEST Equity Russia Opportunity” will be renamed as “PARVEST Equity Russia Opportunities”

## **One-Off Expenses**

“One-Off Expenses” as defined in the Prospectus will be renamed as “Extraordinary Expenses” and the definition has been enhanced to include director fees which is always included in the One-Off Expenses.

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<sup>4</sup> Circumstances may include but not limited to the level of asset under management of a particular subfund exposed to a particular market reaching a level that the portfolio manager can no longer find assets allowing portfolio diversification.

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## **Valuation Day**

To better reflect the current practice, the Valuation Day for “PARVEST Equity Japan” will be refined to the effect that “Each bank business day in Luxembourg is a Valuation Day unless ~~except if 50% or more of the assets of the sub-fund are listed on the Tokyo stock exchange is closed on the calculation day.~~”

## **Decrease Maximum Management Fees into all “Privilege” categories**

- From 0.70% to 0.65% in the “PARVEST Convertible Bond Asia”;
- From 0.80% to 0.75% in the “PARVEST Bond Asia ex-Japan”, “PARVEST Equity Best Selection Europe”, “PARVEST Equity Europe Mid Cap”, “PARVEST Equity High Dividend Europe”, “PARVEST Equity High Dividend Pacific”, “PARVEST Equity World Low Volatility”, “PARVEST Equity World Technology”, sub-funds;
- From 1.00% to 0.90% in the “PARVEST Equity Brazil”, “PARVEST Equity BRIC”, “PARVEST Equity Latin America”, “PARVEST Equity Russia”, “PARVEST Equity Russia Opportunity”, “PARVEST Equity USA Mid Cap”, sub-funds;

## **Clarifications made to Appendix 2**

Clarifications will be made to Clause 1.8.4 and Clause 2 in Appendix 2 to better reflect the requirements under the ESMA (European Securities and Markets Authority) guidelines.

Shareholders who do not agree to these changes may request redemption of their shares free of charge from the date of this notice until 31<sup>st</sup> October 2013.

The Board of Directors of PARVEST accepts responsibility for the accuracy of the contents of this notice.

Hong Kong shareholders may contact BNP Paribas Investment Partners Asia Limited, the Hong Kong Representative of PARVEST, at (852) 2533 0096 for questions.

Luxembourg, 19 September 2013

**The Board of Directors**