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and uncommon perspectives.

**IMPORTANT:** This document is important and requires your immediate attention. If you have any questions about the content of this document, you should seek independent professional advice. The Directors of Baring International Fund Managers (Ireland) Limited (the “Managers”) accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of our knowledge and belief there are no other facts the omission of which would make any statement in this document misleading at the date of issuance.

Date: 15 April 2016

Dear Unitholder,

- **Baring Emerging Markets Umbrella Fund – Baring Global Emerging Markets Fund**
- **Baring Emerging Markets Umbrella Fund – Baring Latin America Fund**
- **Baring International Umbrella Fund – Baring ASEAN Frontiers Fund**
- **Baring International Umbrella Fund – Baring Asia Growth Fund**
- **Baring International Umbrella Fund – Baring Australia Fund**
- **Baring International Umbrella Fund – Baring Europa Fund**
- **Baring International Umbrella Fund – Baring Hong Kong China Fund**
- **Baring International Umbrella Fund – Baring International Bond Fund**
- **Baring Investment Funds plc – Baring China Select Fund**
- **Baring Investment Funds plc – Baring Emerging Markets Debt Local Currency Fund**
- **Baring Investment Funds plc – Baring India Fund**
- **Baring Investment Funds plc – Baring MENA Fund**
- **Baring Investment Funds plc – Baring European Opportunities Fund**
- **Baring Global Umbrella Fund - Baring Eastern Europe Fund**
- **Baring Global Umbrella Fund - Baring Global Resources Fund**
- **Baring Global Umbrella Fund – Baring Global Leaders Fund**
- **Baring Global Umbrella Fund – Baring High Yield Bond Fund**

(each a “Fund”, collectively the “Funds”)

We are writing to notify you of amendments made to the Highlights (as amended from time to time) (collectively, the “**Highlights**”) of the Funds which came into effect on 30 March 2016 (the “**Effective Date**”) unless otherwise stated. The Amended and Restated Trust Deeds of Baring Emerging Markets Umbrella Fund, Baring Global Umbrella Fund and Baring International Umbrella Fund (collectively, the “**Trust Deeds**”) have also been updated and executed on 30 March 2016. For the avoidance of doubt, no amendments are required to be made to the Memorandum and Articles of Association of Baring Investment Funds plc. A summary of the key amendments to the Highlights and Trust Deeds are explained below.

Please note that these changes do not require any action from you, but are nonetheless important.

## **1. Amendments to the Highlights and Trust Deeds as a result of changes to the UCITS Regulations**

### **A. Background**

**Baring International Fund Managers (Ireland) Limited**

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[www.barings.com](http://www.barings.com)

Registration No. 00161794. Registered office as above. VAT Registration No. IE 65 61 794C  
Directors: David Conway (IE), John Burns (UK), Nicola Hayes (UK), Mark Thorne (IE), Michel Schulz (DE).  
Authorised and regulated by the Central Bank of Ireland.

On 5 October 2015, the Central Bank of Ireland (“CBI”) issued a new set of regulations, Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (“**Central Bank UCITS Regulations**”), which aim to consolidate into one location all of the requirements which the Central Bank imposes on UCITS, UCITS management companies and depositaries of UCITS.

## **B. Amendments to the Highlights**

The Highlights have been updated to include disclosures to reflect the requirements under the Central Bank UCITS Regulations and European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (“**UCITS Regulations**”). A summary of the updates to the Highlights include the following:

- (i) References to “UCITS Notice” are replaced by either “UCITS Regulations” or “Central Bank UCITS Regulations”, as appropriate.
- (ii) Inclusion of a description of the investment strategy in respect of each Fund to disclose the basis on which the Funds will select their investments in accordance with the requirements of the Central Bank UCITS Regulations.
- (iii) As required by the Central Bank and pursuant to the Central Bank UCITS Regulations where a redemption gate is in place (i.e. where redemption requests on any dealing day exceed 10% of the total number of units in issue of the Funds), redemption requests carried over from a prior dealing day as a result of the application of the redemption gate can no longer receive priority. Instead, all redemption requests which have been carried forward will be dealt with on a pro-rata basis.
- (iv) Clarificatory updates to the disclosure that any change of investment objective or material change to the investment policy of the Funds require prior approval of Unitholders and prior approval of Central Bank in accordance with the requirements of the Central Bank UCITS Regulations.
- (v) Updates to the section headed “Investment Restrictions”, to reflect administrative updates and the latest requirements under the Central Bank UCITS Regulations. The Managers confirm that such changes do not represent a material change to the investment restrictions applicable to Funds nor the way in which the Funds are being managed. It is considered that such changes do not amount to a material change to the Funds and there will be no material change in the overall risk profile of the Funds following the changes.

## **C. Amendments to the Trust Deeds**

A summary of the key amendments to the Trust Deeds are as follows:

- (i) The Trust Deeds have been amended to provide that in-specie subscriptions must comprise of assets that are consistent with the investment objectives and policies of the relevant Fund in respect of which such subscription relates.
- (ii) The Trust Deeds have been amended to delete the provisions that requests for realisation of Units carried forward due to the implementation of a redemption gate will be dealt with in priority to any subsequent realisation requests. Priority is no longer permitted pursuant to the Central Bank UCITS Regulations.
- (iii) The Trust Deeds have been amended to reflect that a Fund may not invest more than 10% in other collective investment schemes (unless as otherwise determined by the Managers and as set out in the Irish Prospectuses).

## 2. Amendments to the Highlights and Trust Deeds as a result of changes to the Undertakings for Collective Investment in Transferable Securities Directive (the “UCITS Directive”)

### A. Background

The European Commission has proposed a number of amendments to the UCITS Directive, referred to collectively as the “UCITS V Directive”. The general objective of these amendments is to increase protection and transparency for investors by focusing on the role and the liability of depositaries, potential conflicts of interest that may arise between the Managers, the Funds or the investors of the Funds and the depositaries, remuneration policies for Managers and a harmonisation of the administrative sanctions that must be available to all EU regulators for breaches of the UCITS Directive.

### B. Amendments to the Highlights

- (i) Under the UCITS V Directive, the Funds must appoint a single authorised UCITS depositary. Northern Trust Fiduciary Services (Ireland) Limited, acting as the current Trustee of Baring Emerging Markets Umbrella Fund, Baring Global Umbrella Fund and Baring International Umbrella Fund and the current Custodian of Baring Investment Funds plc, will be appointed as depositary of the Funds (the “**Depositary**”) with effect from 30 March 2016. The Highlights have also been amended to include, among other things, the appointment of the Depositary, the description of liability provisions in relation to any delegated safekeeping functions and any conflicts of interest that may arise from such delegation.
- (ii) A summary of the Manager’s remuneration policy has been included in the Highlights to reflect the disclosure requirements of the UCITS V Directive. Details of the remuneration policy, including a description of how remuneration and benefits are calculated and the identity of the persons responsible for awarding the remuneration and benefits, will be available on the website [www.barings.com/remuneration1](http://www.barings.com/remuneration1) and from the office of the Manager upon request from the Effective Date.

### C. Amendments to the Trust Deeds

A summary of the key amendments to the Trust Deeds are as follows:

- (i) The Trust Deeds have been amended to reflect the requirements of the UCITS V Directive. Provisions have been amended and/or inserted to describe additional safekeeping, oversight and cash monitoring obligations imposed on the Depositary. The term “Trustee” has been replaced with “Depositary” throughout the Trust Deeds to reflect the UCITS V Directive.
- (ii) The Trust Deeds have been amended to clarify that the Depositary can delegate safekeeping and asset verification to sub-custodians and that fees and expenses of sub-custodians shall be at normal commercial rates. The Trust Deeds have also been amended to set out provisions regarding delegation by the Depositary and to specify the delegation criteria imposed on the Depositary.
- (iii) The Trust Deeds have been amended to include provisions to reflect the regulatory requirements in respect of related party transactions among the Depositary, Manager, their delegates or any group company of the Manager/Depositary or their delegates (i.e. that transactions must be at arm’s length, in the best interests of Unitholders and subject to certified valuation, etc.) pursuant to the UCITS V Directive and other regulatory requirements.

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<sup>1</sup> This website has not been reviewed by the Securities and Futures Commission and may contain information relating to funds which are not authorised in Hong Kong and information which is not targeted at Hong Kong investors

- (iv) The Trust Deeds have been amended to set out the duties of the Depositary on custody services, asset verification services, oversight services, cash-flow monitoring services, re-use of investments and the liability of the Depositary in general pursuant to the UCITS V Directive and other regulatory requirements.

### **3. Amendments to the Trust Deeds as a result of changes to the Commission Delegated Regulation (EU) 2015/761 of 17 December 2014 (“Delegated Regulations”) and other regulatory updates**

A summary of the key amendments to the Trust Deeds, as required by the Delegated Regulations and other regulatory updates, are as follows:

- (i) The Trust Deeds have been amended to provide for escalation procedures where the Depositary detects potential irregularities in relation to the Funds in the course of its oversight services or where the Depositary identifies a management issue.
- (ii) The Trust Deeds have been amended to address the Manager’s and Depositary’s obligations under anti-money laundering legislation.
- (iii) The Trust Deeds have been amended to further elaborate on the Manager’s administration obligations such as the obligation to provide the Depositary with copies of the Trust Deed, the Prospectuses and any other document relevant to the Depositary services.
- (iv) The Trust Deeds have been amended to address the confidentiality obligations of both the Depositary and the Managers.
- (v) The Trust Deeds have been amended to set out the information requirements to enable each of the Depositary and the Managers to perform its duties.
- (vi) The Trust Deeds have been amended to include details of any accounts opened by the Managers on behalf of the Funds with an institution other than the Depositary and the associated procedures.
- (vii) A schedule has been inserted in the Trust Deed to set out the categories of assets in which the Funds may invest, the types of accounts in which equities, bonds and money market instruments will be held in various markets, how units in other collective investment schemes will be held, the safekeeping duties in respect of other assets that the Funds may invest in and the oversight services which the Depositary will undertake.

The Trust Deeds have also been amended to update the Depositary’s duties generally, the Depositary’s liability in the context of force majeure event, set out the duties of the Depositary in respect of corporate actions and proxies, address the issue of instructions provided by the Manager to the Depositary, delete the references to payment by cheque for consistency with the offering documents and other miscellaneous administrative and/or clarificatory updates.

With respect to Baring Emerging Markets Umbrella Fund, Baring International Umbrella Fund and Baring Global Umbrella Fund, we confirm that the amendments to the Trust Deeds will not result in any change in the risk profile of the Funds. The costs of updating the Trust Deeds will be borne by the relevant Funds. There will be no change to the ongoing fees payable out of the assets of the Funds.

The Depositary has certified that the proposed amendments to the Trust Deeds are either (i) necessary in order to make possible compliance with any fiscal statutory or official requirement (whether or not having the force of law) or (ii) does not materially prejudice the interests of the Unitholders, does not operate to release to any material extent the Depositary or the Managers or any other person from any responsibility to the Unitholders and (with the exception of the cost of preparing and executing the amended and restated trust deed) will not result in any increase in the amount of costs and charges payable from the deposited property and which therefore do not require Unitholders’ approval.

### **4. Amendments to the Highlights as a result of changes to the Client Asset Regime**

## **A. Background**

On 30 March 2015, the CBI published a set of regulations, Investor Money Regulations 2015 for Fund Services Providers (S.I. No. 105 of 2015) ("**Investor Money Regulations**"), which implement stronger systems and controls to protect investor money.

## **B. Amendments to the Highlights**

The Highlights have been updated to include disclosures to reflect the requirements under the client asset regime. As a summary, the updates include the following:

- (i) A new section headed "Collection account" is added to reflect that the Administrator will open a collection account (an account operated by the Administrator into which all subscription monies are received and from which all realisation and distribution proceeds are paid) ("**Collection Account**") in accordance with the Investor Money Regulations. All monies in the Collection Account will be held on a segregated basis, in trust for the benefit of the investors and on behalf of, and at the risk of, the investors for whom such investor monies are being held. In the event of the insolvency of the relevant bank, which holds the cash on the Administrator's behalf (for the benefit of the investors on behalf of whom such monies are being held), the Administrator should have a claim against the relevant bank on behalf of the investors. In the event of the insolvency of the Administrator, monies in the Collection Account will not form part of the Administrator's assets.
- (ii) Updates to reflect that any subscription monies which are received by the Administrator prior to investment in a Fund, will be held in a collection account and will not form part of the assets of the relevant Fund until such monies are transferred from the Collection Account to the account of the relevant Fund. Updates to reflect that on the Settlement Date, the redemption proceeds will be paid into a Collection Account and when all relevant documentation and information is received in respect the Unitholder, the proceeds will be paid to the bank account provided by the Unitholder and such proceeds will no longer be considered an asset of the relevant Fund.
- (iii) Updates to reflect that where the Unitholder's anti-money laundering documentation is incomplete or has not been completed to the satisfaction of the Administrator, any redemption proceeds or dividend payments will be held in the Collection Account.

## **5. Waiver of commissions for transactions of Baring International Bond Fund, a sub-fund of Baring International Umbrella Fund**

The Managers are entitled to charge commission at the rate of 0.125% of the consideration for each transaction entered into by Baring International Bond Fund. This commission is not being charged and such disclosure has been removed from the Highlights of Baring International Umbrella Fund.

## **6. Change of the means to publish price per Unit for Baring Global Umbrella Fund**

From 1 May 2016 onwards, the price per Unit of the Baring Global Umbrella Fund will no longer be published daily in the South China Morning Post, the Hong Kong Economic Journal and the Hong Kong Economic Times. The price per Unit will continue to be available on the Manager's website [www.barings.com](http://www.barings.com) and may be ascertained at the registered office of the Managers and from the office of the Hong Kong Representative. Such prices will also be available in any other manner as considered appropriate by the Managers.

The above-mentioned website has not been reviewed by the Securities and Futures Commission and may contain information relating to funds which are not authorised in Hong Kong and information which is not targeted at Hong Kong investors.

## **7. Miscellaneous updates to the Highlights**

The Highlights have been updated to include other administrative updates, updates to the Sponsoring Brokers, enhanced information regarding the Managers, Investment Managers, Administrators and the paying agents, clarificatory update to the investment strategy of Baring Investment Funds plc – Baring MENA Fund, disclosures to address latest regulatory requirements, clarificatory updates to the termination of the funds for better consistency with the Trust Deeds and/or Irish Prospectuses and other miscellaneous updates for better consistency with the Trust Deeds and/or Irish Prospectuses.

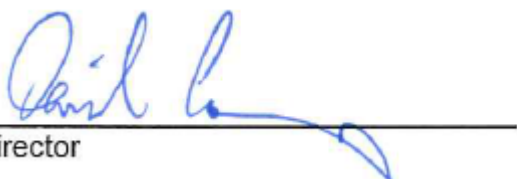
We confirm that the amendments to the Highlights as summarised in this notice will not result in any change in the risk profile of the Funds, do not amount to a material change to the Funds and do not materially prejudice the rights or interests of Unitholders.

### **Further Information**

The Trust Deeds, Highlights and Product Key Fact Statements for the Funds (where applicable) have been updated to reflect the above-mentioned amendments and are available free of charge at the office of the Hong Kong Representative at the address listed below.

Should you have any questions with regard to the contents of this letter, please contact Baring Asset Management (Asia) Limited, the Hong Kong Representative, by telephone on (852) 2841 1411, by e-mail at [HK.Mutual.Fund.Sales@barings.com](mailto:HK.Mutual.Fund.Sales@barings.com), or by letter at the following address: 19th Floor, Edinburgh Tower, 15 Queen's Road Central, Central, Hong Kong. Alternatively you may wish to speak to your Financial Adviser.

Yours faithfully,



A handwritten signature in blue ink, appearing to read 'David L...', is written over a horizontal line. The signature is fluid and cursive.

Director

For and on behalf of,  
Baring International Fund Managers (Ireland) Limited