

**IMPORTANT: This document is important and requires your immediate attention. If you have any questions about the content of this document or are in any doubt as to the action to be taken, you should seek independent professional advice and immediately consult your stockbroker, solicitor or attorney or other professional advisor.** This notice (the “**Notice**”) is sent to you as a unitholder of Baring Emerging Markets Umbrella Fund (the “**Unit Trust**”). If you sold or otherwise transferred your holding in the Unit Trust, please send this Notice to the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

**This Notice has not been reviewed by the Central Bank of Ireland (the “Central Bank”) and the Securities and Futures Commission (“SFC”) and it is possible that changes thereto may be necessary to meet the requirements of the Central Bank and the SFC. The directors (the “Directors”) of Baring International Fund Managers (Ireland) Limited (the “Manager”), the manager of the Unit Trust, are of the opinion that there is nothing contained in this Notice nor in the proposals detailed herein that conflicts with the guidance issued by and regulations of the Central Bank and the SFC.**

The Directors have taken all reasonable care to ensure that, as at the date of this Notice, the information contained in this Notice is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept full responsibility for the accuracy of the information contained in this Notice.

Unless otherwise indicated, all capitalised terms in this Notice shall have the same meaning as described in the Highlights for the Unit Trust dated September 2017 (the “**Highlights**”).

## BARING INTERNATIONAL FUND MANAGERS (IRELAND) LIMITED

*Registered Office  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland*

29 March 2018

Dear Unitholder,

### **Baring Emerging Markets Umbrella Fund**

- **Baring Emerging Markets Umbrella Fund - Baring Global Emerging Markets Fund**
- **Baring Emerging Markets Umbrella Fund - Baring Latin America Fund**

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

We are writing to you as a Unitholder to notify you of certain changes being made to the Unit Trust and the Funds and the offering documents of the Unit Trust and the Funds. Unless otherwise specified, the below changes will take effect on 30 April 2018 (the “**Effective Date**”).

### **Change 1 – Change of format of the Hong Kong offering documents**

The current Hong Kong offering documents comprise the Highlights (which is a Hong Kong specific offering document prepared based on the overseas prospectus of the Unit Trust) and the Product Key Facts Statements for each of the Funds. Upon evaluation of the Highlights and the overseas prospectus and the overall document maintenance process, it is decided that the Hong Kong offering documents will be reformatted going forwards. Following the

reformatting, the Hong Kong offering documents will comprise the overseas prospectus, a Hong Kong covering document and the Product Key Facts Statements for each of the Funds (the “**Hong Kong Offering Documents**”).

## **Change 2 - Fee Re-structuring**

Currently, the Funds are subject to separate depositary fee, administration fee and certain general operating expense items which are each payable out of the assets of the Funds.

With a view to offer more advantageous and transparent fee rates and expenses to investors, with effect from the Effective Date, these fees and expenses will be combined into a single administration, depositary and operating expenses fee (the “**Administration, Depositary and Operating Fee**”) payable out of the assets of the Funds to the Manager. The minimum administration fee will no longer be applicable and reference to the minimum administration fee will be removed from the Hong Kong Offering Documents.

After the proposed change in fee structure, the Manager will be responsible for paying (including but not limited to) the following:

- aggregate fees and expenses of the Administrator and Depositary;
- the fees payable to permanent representatives and other agents of each Fund;
- the fees and expenses of each Fund’s auditors and legal advisers;
- sub-custodian fees, expenses and direct transaction handling charges at normal commercial rates;
- fees or expenses involved (including the fees and expenses of paying agents) in registering and maintaining the registration of a Fund with any governmental agency or stock exchange in Ireland and in any other country;
- expenses in respect of portfolio and Unit Class currency hedging (where applicable);
- reporting and publishing expenses, including the costs of printing, preparing and distributing prospectuses, Key Investor Information Documents (which are not available to Hong Kong investors), Product Key Facts Statements of the Funds, explanatory memoranda, periodical reports or registration statements; and
- the costs of reports to Unitholders of the Funds.

(collectively “**Other Expenses**”)

The Administration, Depositary and Operating Fee does not include any other expenses including, but not limited to withholding tax, stamp duty or other taxes on the investments of a Fund (including fees of professional agents associated with processing and reclaiming such taxes); commissions and brokerage fees incurred with respect to a Fund’s investments; interest on borrowings and bank charges incurred in negotiating, effecting or varying the terms of such borrowings (including any liquidity facility entered into in respect of a Fund); any commissions charged by intermediaries in relation to an investment in a Fund and such extraordinary or exceptional costs and expenses (if any) as may arise from time to time, such as material litigation in relation to the Unit Trust (collectively “**Additional Expenses**”). Such expenses will generally be paid out of the Net Asset Value (“**NAV**”) of the relevant Fund.

For the avoidance of doubt, for so long as the Funds are authorised in Hong Kong, no sales commissions, advertising or promotional expenses shall be charged to such Fund.

The proposed changes will in all cases result in a reduction in the current fees and expenses bearable by all Unit Classes and lower ongoing charges for all Unit Classes currently offered to Hong Kong investors. This is because the current sum of fee rates for the Administration Fee, Depositary Fee and certain other fees (which will be included in the Administration, Depositary and Operating Fee) is always higher than the Administration, Depositary and Operating Fee after the proposed change in fee structure for all Unit Classes of the Funds.

Please note that the Administration, Depositary and Operating Fee is a fixed fee (and not a fee cap) and the same rate of fees will be charged regardless of actual fees and expenses. In other words, the Manager will bear the shortfall when the actual fees and expenses exceed the Administration, Depositary and Operating Fee charged to the relevant Unit Class and the Manager will retain any excess when the actual fees and expenses are less than the Administration, Depositary and Operating Fee charged to the relevant Unit Class.

Please refer to the attached Appendix A for the current fee rates and the new Administration, Depositary and Operating Fee rates.

Other than as described above, the change in fee arrangement will not result in any changes to the operation and/or manner in which the Unit Trust and the Funds are being managed. The change in fee arrangement will not result in any change to the risks applicable to the Funds and will not materially prejudice the rights or interests of existing Unitholders.

The costs incurred in connection with the change of fee arrangement will be borne by the Funds. The Manager considers that such costs are not significant in terms of the current NAV of the Funds.

If you do not agree with the above change set out in Change 2, you may redeem your Units or switch to any other SFC-authorized<sup>1</sup> Barings fund free of charge until the Dealing Day immediately prior to the Effective Date in accordance with the provisions of the Highlights. Please note that we will not impose any charges in respect of your redemption and/or switching instructions. However, your bank or financial adviser may charge you a redemption, switching or transaction fees in respect of such instructions. You are advised to contact your bank, distributor or financial adviser should you have any questions.

### Change 3 - Name Changes

With effect from the Effective Date, the name of the Unit Trust will be changed as follows:

Old Unit Trust Name	New Unit Trust Name
Baring Emerging Markets Umbrella Fund	Barings Emerging Markets Umbrella Fund

Further to this, the names of the following Funds of the Unit Trust are also being changed with effect from the Effective Date, as set out in the table below:

Old Fund Name	New Fund Name
Baring Global Emerging Markets Fund	Barings Global Emerging Markets Fund
Baring Latin America Fund	Barings Latin America Fund

### Change 4 – Change of dealing arrangements for Hong Kong investors

Currently, Hong Kong investors must send subscription requests to the Hong Kong Representative, Baring Asset Management (Asia) Limited, by 5 p.m. Hong Kong time for onward transmission to the Manager. Any requests received or treated as having been received by the Hong Kong Representative on a public holiday in Hong Kong will be deemed to have been received on the following Dealing Day which is not a public holiday in Hong Kong. On Hong Kong public holidays, Hong Kong investors may choose to send subscription requests on such day to the Manager instead of the Hong Kong Representative provided that day is a Dealing Day. The same dealing arrangement apply in respect of redemption and conversion requests.

The Manager has determined to provide Hong Kong investors with the flexibility to send subsequent subscription, redemption and conversion requests directly to the Manager c/o the Administrator on any Dealing Day with effect from the Effective Date. In other words, from the Effective Date, Hong Kong investors may send subsequent subscription, redemption and conversion requests in writing by submitting the signed originals to the Hong Kong Representative for onward transmission to the Manager c/o the Administrator, or in writing by submitting the signed originals or by facsimile directly to the Manager c/o the Administrator. In addition, besides submitting via electronic messaging services, Hong Kong investors can, submit such requests via other means as agreed by the Manager or the Hong Kong Representative from time to time.

Units of each Class may be dealt with effect from each Dealing Day pursuant to requests received by the Hong Kong Representative by 5 p.m. Hong Kong time or received by the Manager by 12 noon Irish time on that Dealing Day.

<sup>1</sup> SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Requests received by the Manager after 12 noon Irish time on a Dealing Day will be treated as having been received on the following Dealing Day. Any requests received by the Hong Kong Representative after 5 p.m. Hong Kong time on a Hong Kong Business Day<sup>2</sup> or treated as having been received by the Hong Kong Representative on a Dealing Day which is not a Hong Kong Business Day<sup>2</sup> will be deemed to have been received by the Hong Kong Representative on the next Hong Kong Business Day<sup>2</sup> that is also a Dealing Day.

Please refer to the revised Hong Kong Offering Documents for further details.

Investors should note that different distributor(s) may impose different dealing cut-off times before the dealing deadlines for receiving instructions for subscription, redemption and/or conversion and may have different dealing arrangements/procedures. Before placing your subscription, redemption or conversion orders, please check with your distributor for the distributor's internal dealing deadline (which may be earlier than the Fund's dealing deadline) and the distributor's dealing arrangements/procedures.

The changes above do not amount to a material change to the Funds, will not result in any change or increase in the overall risk profile of the Funds and do not materially prejudice the rights or interests of Unitholders of the Funds.

#### **Change 5 - Updates to the disclosure relating to the means of publication of suspension notices**

Following the SFC consultation on proposals to amend the requirements under the Code of Unit Trusts and Mutual Funds (the "Code") in relation to the publication of notices of dealing suspension of collective investment schemes authorised by the SFC under the Code in 2014, a revised Code became effective on 30 January 2015. The revised Code allows the announcement of suspension of dealing in an appropriate manner which includes, newspapers or websites and no longer mandates the publication of such announcements in Hong Kong newspapers.

Consequently, it is determined that with effect from the Effective Date, whenever the Manager declares a temporary suspension of the determination of the NAV of any Fund or attributable to a Class, the right to subscribe for Units of any Class, the right of Unitholders to require the redemption of Units of any Class and/or may delay the payment of any moneys ("**Suspension**"), notification relating to such Suspension will be published immediately and thereafter at least once a month during the period of Suspension in an appropriate manner (including via the Manager's website [www.barings.com](http://www.barings.com)<sup>3</sup>).

#### **Change 6 - Change of the means to change the investment objective or make any material change to investment policies**

With effect from the Effective Date, the means to change the investment objective or make any material change to investment policies of a Fund will be changed from requiring Unitholders' approval by way of extraordinary resolution to requiring Unitholders' approval by way of ordinary resolution. This change is made to reflect the current regulatory requirements of the Central Bank. The change is not considered to have a material impact on the rights or interests of Unitholders of the Funds.

#### **Change 7 – Maximum rate of management fee and Preliminary Charge**

With effect from the Effective Date, the current rate of management fee disclosed in the revised Hong Kong Offering Documents will be treated as the maximum rate of management fee.

With effect from the Effective Date, 5% of the Net Asset Value per Unit will be treated as the maximum rate of Preliminary Charge.

#### **Change 8 – Updates for compliance with the MiFID II requirements**

Further to the requirements under the Markets in Financial Instruments Directive 2014/65/EU and Markets in Financial Instruments Regulation ("**MiFID II**"), with effect from 3 January 2018 any third party research received in connection with investment advisory services that Baring Asset Management Limited (the "**Investment Manager**") provides to the

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<sup>2</sup> "Hong Kong Business Day" means a day (other than a Saturday or Sunday) on which banks in Hong Kong are open for normal business, provided that where as a result of a number 8 typhoon signal, black rainstorm warning or other similar event, the period during which banks in Hong Kong are open on any day is reduced, such day shall not be a Hong Kong Business Day unless the Manager and the Depositary determine otherwise or such other day or days as the Depositary and the Manager may determine.

<sup>3</sup> Please note that the website has not been authorised by the SFC and may contain information relating to funds which are not authorised in Hong Kong and information which is not targeted to Hong Kong investors.

Fund will be paid for by the Investment Manager out of the periodic fee which it receives for its discretionary investment management and investment advisory services from the Manager. However, the Investment Manager may receive acceptable minor non-monetary benefits that are capable of enhancing the quality of the service provided by the Investment Manager to the Unitholders; of a scale and nature that it could not be judged to impair the Investment Manager's compliance with its duty to act honestly, fairly and professionally in the best interests of the Unitholders of the Fund; and reasonable, proportionate and of a scale that is unlikely to influence the Investment Manager's behaviour in any way that is detrimental to the interests of the Unitholders. The Hong Kong Offering Documents will be updated accordingly to reflect this change and will include examples of such acceptable minor non-monetary benefits.

#### **Change 9 – Miscellaneous updates to the Highlights**

The Hong Kong Offering Documents will be updated to include other miscellaneous updates summarized as follows. Unless otherwise stated, the updates will take effect on the Effective Date:

1. Change of the Directors of the Manager and inclusion of biographies of the new Directors. The current Directors are Peter Clark, James Cleary, David Conway, Barbara Healy, Timothy Schulze and Julian Swayne. For details of the resignation dates of resigned directors and appointment dates of new directors, please contact the Hong Kong Representative at the contact details listed below;
2. Change of the sponsoring brokers from Dillon Eustace to Matheson. This change has taken effect prior to the Effective Date;
3. Updates to reflect that Matheson is the legal advisor as to Irish law for the Unit Trust. This appointment has taken effect prior to the Effective Date;
4. Change of the registered office of the Manager to "70 Sir John Rogerson's Quay Dublin 2 Ireland". This change has taken effect prior to the Effective Date;
5. Update and enhancement of disclosure under the section headed "Investment Policy: General" and updates to disclosure relating to efficient portfolio management techniques, counterparty procedures and the means to measure global exposure (i.e. commitment approach). For the avoidance of doubt, this is no change to the extent of use of derivatives by the Funds;
6. Updates and enhancement to risk disclosures;
7. Updates to the disclosure on conflict of interests/portfolio transactions and Manager's Unit dealings. For the avoidance of doubt, there is no change in practice and internal procedures/policy relating dealing with conflict of interests situations;
8. The Hong Kong Offering Documents has been updated to provide for the market standard indemnity provided by investors to the Manager, the Administrator, the Depositary and the Unit Trust, the applicable distributor, the Investment Manager and any of their respective affiliates for any and all claims, losses, liabilities or damages (including attorneys' fees and other related out-of-pocket expenses) suffered or incurred as a result of the investor not remitting the amount of its subscription by the due date for such subscription or otherwise failing to comply with the terms of the Application Form. The Hong Kong Offering Documents also provides that where an existing Unitholder has failed to pay subscription monies for additional Units by the due date, the Manager may, in its sole discretion, redeem some or all of the Units of that Unitholder and may apply the redemption proceeds in satisfaction of the Unitholder's liabilities pursuant to the indemnity described above;
9. Removal of disclosure regarding the subscription deferral policy for consistency with other Barings' prospectuses;
10. Update to taxation disclosure (including Foreign Account Tax Compliance Act disclosure);
11. Removal of the disclosure under "Investment Objective and Policies" of Baring Latin America Fund. For the avoidance of doubt, there is no change to the investment objectives of the aforementioned Fund;
12. Updates to the disclosure relating to borrowing policy of the Funds. The updates do not represent a change in the borrowing policy or the permitted level of borrowing;
13. Enhancement of disclosure under the section headed "Collection Account" to reflect that in the event of the insolvency of another Fund of the Unit Trust, recovery of any amounts to which a Fund is entitled, but which may have transferred to such other Fund as a result of the operation of the Collection Account, will be subject to the principles of Irish trust law and the terms of the operational procedures for the Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Fund may have

insufficient funds to repay amounts due to the relevant Fund. Accordingly, there is no guarantee that such Fund or the Unit Trust will recover such amounts. Furthermore, there is no guarantee that in such circumstances such Fund or the Unit Trust would have sufficient funds to repay any unsecured creditors. This is included to reflect the Central Bank's requirement;

14. Enhancement of disclosure to reflect that the Manager may resolve at its discretion to retain sufficient monies prior to effecting a total redemption of Units to cover the costs associated with the subsequent termination of the Unit Trust or a Fund. This is a clarificatory update;
15. Enhancement of disclosure regarding currency hedging and inclusion of a new section headed "Currency Agent" to reflect that the Investment Manager may appoint a third party to act as the currency agent. The currency agent(s) will implement a currency hedging programme, instructed by the Investment Manager, at the portfolio and/or the Hedged Class level;
16. Updates to remove specific references to obtaining the SFC's prior approval for increasing the maximum level of exposure to China A and China B shares and to remove reference to notifying the SFC of any shortening or extension of the initial offer periods of unlaunched Classes of Units. This update is to simplify the current disclosures and to better cater for current regulatory requirements and developments. The SFC requirements relating to increasing exposure to China A and China B shares will be complied with if such changes are made in the future;
17. Clarificatory updates regarding duration of the Unit Trust for consistency with the Trust Deed;
18. Clarificatory updates to remove the disclosure relating to payment of unclaimed proceeds or other cash held by the Depositary at the end of the expiration of twelve months from the date on which the same were payable into the court;
19. Minor clarificatory update to the section headed "Investment Restrictions" to reflect latest regulatory requirements of the Central Bank;
20. Other miscellaneous formatting, administrative and/or clarificatory updates to address latest regulatory requirements, to enhance or simplify current disclosures, updates to reflect latest internal policies, to remove obsolete disclosure, to update information, for better consistency with the other Barings' prospectuses, for better alignment with the Trust Deed, to better reflect actual practice and/or for better clarity. Such updates include, insertion of additional country selling restrictions warning statements, updates to the section headed "Important Information", updates to the "Definitions" section and corresponding updates, updates to terminology, removal of the launch status, updates to disclosure relating to the use and collection of personal data, removal of disclosure relating to the requirements for modification of the Trust Deed and updates to the descriptions of the Manager, the Investment Manager and the Depositary.

## **Privacy Statement**

It is intended to implement a privacy statement for the Unit Trust in light of the General Data Protection Regulation (Regulation (EU) 2016/679). The privacy statement will be available to Unitholders no later than 25 May 2018 on the Barings website [www.barings.com](http://www.barings.com)<sup>4</sup> where you should obtain a copy at that time.

## **Revised Hong Kong Offering Documents and revised Trust Deed**

The revised Hong Kong Offering Documents will be updated to reflect the above changes where appropriate. A copy of these documents will be available free of charge at the office of the Hong Kong Representative at the address listed below and on [www.barings.com](http://www.barings.com)<sup>4</sup> on or after the Effective Date.

The Trust Deed will also be revised by way of a supplemental deed to reflect the name change of the Unit Trust and the revised Trust Deed may be obtained or inspected free of charge at the office of the Hong Kong Representative at the address listed below.

## **Action to be taken**

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<sup>4</sup> Please note that the website has not been authorised by the SFC and may contain information relating to funds which are not authorised in Hong Kong and information which is not targeted to Hong Kong investors.

Please note that no Unitholder meeting or vote is necessary in connection with the above proposed updates and therefore no action is required by you. These changes will be implemented on the Effective Date unless otherwise stated.

The updates described above will not result in any change in the investment objective and policy of the Funds, the risk profiles of the Funds and, do not materially prejudice the interests of Unitholders. There will be no increase to the level of fees payable by the Unit Trust, the Funds and the Unitholders. Apart from the changes set out in Change 2, the updates described above will also not result in any changes to the operation and/or manner in which the Unit Trust and the Funds are being managed.

The costs incurred in connection with the above updates will be borne by the Funds.

There is no action required on your part and these changes will be implemented on the Effective Date unless otherwise stated.

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: 35th Floor, Gloucester Tower, 15 Queen's Road Central, Hong Kong. Alternatively you may wish to speak to your financial adviser.



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**Director**  
**For and on behalf of**  
**BARING INTERNATIONAL FUND MANAGERS (IRELAND) LIMITED**

**APPENDIX A**

Unit Class	Existing fee arrangement <u>before the Effective Date</u>			New fee arrangement <u>after the Effective Date</u>
	Depository fee (per annum) (as a percentage of the Fund's NAV)	Administration fee (per annum) (as a percentage of the Fund's NAV attributable to the Class)	Other general operating costs and expenses (including but not limited to stamp duties, taxes, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors, listing fees, legal expenses, and all Additional Expenses (as defined in Change 2 above) etc.)	Administration, Depository and Operating Fee (per annum) (as a percentage of the Fund's NAV attributable to the Class)*****
<b>Baring Global Emerging Markets Fund*</b>				
Class A	Up to 0.025%	0.575%***	Variable (Paid out of the Fund's assets)	0.45%
Class I		0.25%		0.25%
Class X		0.25%		0.25%
<b>Baring Latin America Fund**</b>				
Class A	Up to 0.025%	0.45%****	Variable (Paid out of the Fund's assets)	0.45%
Class I		0.25%		0.25%

\* Please note that prior to the Effective Date, the administration fee is subject to a minimum of £30,000 per annum at Fund level.

\*\* Please note that prior to the Effective Date, the administration fee is subject to a minimum of £24,000 per annum at Fund level.

\*\*\* Please note that prior to the Effective Date, the Manager is entitled to receive an administration fee (in addition to the management fee) for the account of the Manager at the rate of 0.575% per annum of the Net Asset Value of the Fund up to a Net Asset Value of US\$50,000,000 and, where the Net Asset Value of the Fund is in excess of US\$50,000,000, at a rate of 0.45% per annum of the Net Asset Value of the Fund in excess thereof.

\*\*\*\* Such fees may be increased to an amount not exceeding 0.575% per annum of the Net Asset Value of the Fund up to a Net Asset Value of US\$50,000,000 and 0.45% per annum of the Net Asset Value of the Fund in excess thereof, on giving not less than three months' notice to Unitholders.

\*\*\*\*\*The Manager will be responsible for paying Other Expenses as defined in Change 2 above (Other Expenses includes, amongst other items, the aggregate fees and expenses of the Administrator and Depository). Additional Expenses (as defined in Change 2 above) will continue to be paid out of the assets of the Funds.