



**IMPORTANT: This letter requires your attention. If you have any questions about the content of this letter, you should seek independent professional advice. The Directors of the Managers accept responsibility for the accuracy of the contents of this letter.**

Date: 13 December, 2013

To: All Unitholders of Baring International Umbrella Fund

**Re: Baring International Umbrella Fund (the "Unit Trust")**

Dear Unitholder,

We are writing to you in your capacity as a Unitholder in the above Unit Trust to advise you of certain changes, summarised below, to the Unit Trust which will be reflected in the Trust Deed and Highlights respectively. The changes will become effective from 13 January 2014. These changes are not material and do not require your approval or any action on your part, but they are important and we recommend that you review them.

#### **Changes to the Trust Deed**

<b>Change</b>	<b>Explanation</b>
<b>(i) Definitions</b>	
Clause 1 (51) will be amended to provide that "United States person" shall have the meaning as set out in the Highlights.	The current definition of "United States person" is more detailed and this will be replaced to ensure consistency with the definition as set out in the Highlights.
<b>(ii) Realisation of Units</b>	
Clause 17 (H) will be amended to provide that where realisation requests are received from a Unitholder which are in excess of 5% of the Net Asset Value of a sub-fund of the Unit Trust on any dealing day that the Managers at their discretion may satisfy any such realisation amount by a transfer in specie. This is provided that the relevant Unitholder can request the Managers to sell such assets, the costs of such sale to be borne by the Unitholder.	Previously, Clause 17 (H) provided that the Managers could invoke its discretion to satisfy a realisation request in specie where the realisation request from a Unitholder amounts to 5% or more of the net asset value of a class. This is now being amended to provide that this discretion may only be invoked where the realisation request represents 5% or more of the Net Asset Value of a sub-fund of the Unit Trust. This amendment is being made to reflect the Central Bank's current requirements in respect of in-specie realisations. The in-specie realisation remains subject to the prior consent of the realising Unitholder and the Unitholder's entitlement to request the sale of the relevant in-specie assets.
<b>(iii) Dilution Adjustment</b>	
Clause 4 of the First Schedule will be amended to include wording to state that the Managers may with the approval of the Trustee utilise swing pricing provided that in each case, the valuation policy by the Managers shall be applied consistently through the various categories of assets and will be applied consistently through the lifetime of the Unit Trust and that any dilution adjustment to the Net Asset Value may take into	Previously, the Trust Deed stated that where any Investments or any options did not fall to be valued in accordance with any of the explicitly stated paragraphs of the Trust Deed they shall be valued by such method available to the Managers as they with the consent of the Trustee shall determine, provided that such method of valuation has been approved by the Central Bank. As the Prospectus provides for dilution adjustment, the Trust

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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).

Authorised and regulated by the Central Bank of Ireland.

account any provision for market spreads (bid/offer spread of underlying securities), duties (for example transaction taxes) and charges (for example settlement costs or dealing commission) and other dealing costs related to the adjustment or disposal of investments and to preserve the value of the underlying assets of the relevant sub-fund of the Unit Trust.	Deed is now being amended specifically to provide for this also.
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## Changes to the Highlights

The following changes will be made to the Highlights of the Unit Trust:

- References to the Investment Management Agreement and the Administrator Agreement have been amended in the Highlights to reflect the administrative changes and regulatory updates of each of these agreements. In this regard, the Administrator Agreement dated 1 April, 2005 between the Managers, the Trustee and Administrator has been amended and restated on 1 July, 2011. The Investment Management Agreement dated 20 December, 2006 has been amended and restated on 27 August, 2012. A brief summary of the key provisions of each of these agreements is included in the section headed "Managers, Investment Manager, Trustee, Administrator and Hong Kong Representative" of the Highlights and a brief summary of the key updates to each of these agreements is as follows.

The key updates to the investment management agreement include the following:-

- provisions relating to Baring Asset Management Limited's ("BAML") policy / procedures regarding asset management, execution policy, handling of orders and handling of client complaints have been added into the Investment Management Agreement to address the new regulatory requirements under UCITS IV.
- provisions to enhance the reporting requirements (such as due diligence reports, risk reports, etc.) for BAML have been added into the Investment Management Agreement to address the new regulatory requirements under UCITS IV.
- disclosures such as BAML's execution and conflicts policies have been added into the Investment Management Agreement to address requirements under the Markets in Financial Instruments Directive or requirements of the Financial Conduct Authority.

The key updates to the Administrator Agreement include the following:

- additional provisions and amendments to provisions relating to the operational relationship between Baring International Fund Managers (Ireland) Limited and Northern Trust International Fund Administration Services (Ireland) Limited. For example, the Administrator Agreement now provides that the Administrator Agreement may be terminated by giving not less than 24 (instead of 6) months' notice in writing; and subject to the conditions as set out in the Administrator Agreement, the administrator may subcontract the whole or any part of its services.
- deletion of the provision that the Administrator Agreement shall be enforce for 5 years from the date of execution.

Copies of the amended and restated Investment Management Agreement and Administrator Agreement may be obtained or inspected free of charge at the office of the Hong Kong Representative at the address set out below.

- Provision will be made to the investment policy section of each sub-fund (with the exception of Baring ASEAN Frontiers Fund which already contains such a provision) to provide that each sub-fund may also invest up to 10% of its net assets in other collective investment schemes (including ETFs) in accordance with the requirements of the Central Bank. Provision is already included in the Highlights under the heading "Investment Policy: General" for the ability of each sub-fund to invest up to 10% of their assets in other collective investment schemes. The provision is being included in the investment policy section of each sub-fund for greater clarity.

This update does not impact the way in which each sub-fund is managed and does not represent a change in the investment policy of each of the sub-funds.

- The disclosure relating to a sub-fund's intended exposure to China A and B Shares in the Section headed "Investment Policy; General" will be enhanced to clarify that should any sub-fund intend to invest more than 10% of the Net Assets in China A and B Shares, at least one month prior notice will be given to investors and approval from the Securities and Futures Commission will be sought. It will be further clarified that any investment by a sub-fund in China A or B Shares will be made in accordance with the requirements of the Central Bank and the relevant regulatory authorities in the People's Republic of China.

This update does not impact the way in which each sub-fund is managed and does not represent a change in the investment policy of each of the sub-funds.

4. The fees and expenses section will be amended to clarify that the Trustee fee is up to 0.025% of the Net Asset Value of each sub-fund (previously it was disclosed as a flat rate of 0.025%). In addition, wording will be clarified to provide that account maintenance fees as well as transaction fees and safekeeping fees will be charged at normal commercial rates.
5. The Section headed "Application Procedure" will be amended to make clear that Unitholders may, with the agreement of the Managers or Hong Kong Representative, subscribe for or realise Units via electronic messaging services such as EMX or SWIFT.

In addition, disclosure in respect of payment of subscriptions, realisations and distribution payments by cheque will be removed. Following such removal, prospective investors and unitholders will no longer be able to pay subscription monies by cheque and will no longer be able to receive realisation proceeds and distribution payments by cheque. Realisation proceeds and distribution payments will only be paid by electronic transfer.

6. The calculation method of any dilution adjustments to the Net Asset Value will be updated to allow the Managers to take into account any provision for market spreads (bid/offer spread of underlying securities), duties (for example transaction taxes) and charges (for example settlement costs or dealing commission) and other dealing costs related to the adjustment or disposal of investments and to preserve the value of the underlying assets of the relevant sub-fund. The disclosure under the Section headed "Calculation of Net Asset Value" will be updated to reflect this change.
7. Clarifications will be made to the "Investment Policy: General – Investment in Derivatives" section. Reference to investment in long/short futures on ETFs will be deleted as an example of the financial derivative instruments which a sub-fund may invest in. As an enhancement to the examples of the types of financial derivative instruments that a sub-fund may utilise, a statement will also be added to make clear that non-deliverable forwards may be utilised. The clarifications are made to better reflect the types of derivatives that are currently likely to be utilised by the sub-funds of the Unit Trust.

It is considered that the changes do not amount to a material change to the Unit Trust and there will be no material change in the overall risk profile of the Unit Trust following the changes.

8. Disclosure relating to the distribution policy of the sub-funds of the Unit Trust will be enhanced to highlight the risks relating to Unit Trust's distribution policy and to address latest disclosure requirements in Hong Kong.

In addition, the Highlights will be enhanced to note that while each sub-fund normally pays its management fee and other fees and expenses out of income, where insufficient income is available, the Managers may provide for a sub-fund to pay some or all of its management fee and other fees and expenses out of capital. This discretion is provided in the Trust Deed and the inclusion of such disclosure in the Highlights is for clarification purposes.

9. The Highlights will be updated to include other administrative updates, disclosures to address latest regulatory requirements and updates to existing risk factors, tax disclosures and insertion of additional risk factors. You are advised to review this revised "RISK FACTORS" section and consider the up-to-date risk disclosures that may be relevant to your investment.

We confirm that the changes described above do not result in any change in the risk profile of the sub-funds of the Unit Trust. In addition, the changes described in paragraphs 1, 2, 3, 4, 7, 8, 9 above do not change the way in which the Unit Trust and its sub-funds are being managed.

If you have any questions relating to these matters please contact your usual contact at Barings. Hong Kong investors should contact Baring Asset Management (Asia) Limited, the Hong Kong Representative, Marco Tang, by telephone on (852) 2841 1411, by e-mail at marco.tang@barings.com, or by letter at the following address: 19th Floor, Edinburgh Tower, 15 Queen's Road, Central Hong Kong. The revised Highlights will be available free of charge at the office of the Hong Kong Representative shortly.

Yours faithfully,



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



**重要提示：**本函件務須閣下垂注。如閣下對本函件的内容有任何疑問，閣下應尋求獨立專業意見。經理的董事對本函件內容的準確性承擔責任。

致：霸菱國際傘子基金的全體單位持有人

**有關：霸菱國際傘子基金（「單位信託基金」）**

親愛的單位持有人：

茲致函身為上述單位信託基金單位持有人之閣下，以通知閣下有關對單位信託基金作出的若干變更，該等變更將會分別在信託契據及簡介內反映，節錄如下。該等變更將由 2014 年 1 月 13 日起開始生效。該等變更並非重大變更，毋須閣下批准或閣下作出任何行動，但該等變更屬重要變更，茲建議閣下審閱。

#### 對信託契據的更改

更改	解釋
<b>(i) 定義</b>	
第 1 (51)條將會作出修訂，以規定「美籍人士」應具有簡介所載的涵義。	「美籍人士」的現有定義較為詳細，該定義將會被取代，以確保定義與簡介所載者相一致。
<b>(ii) 單位變現</b>	
第 17 (H)條將作出修訂，以規定在任何交易日接獲由單位持有人提出的變現要求，而該要求超過單位信託基金之子基金的資產淨值的 5%時，經理可酌情以實物轉讓達致任何該等變現金額。惟前提是相關單位持有人可要求經理出售該等資產，出售資產的成本將由單位持有人承擔。	第 17 (H)條過往規定，在由單位持有人提出的變現要求金額達某一類別資產淨值的 5%或以上時，經理可行使其酌情權以實物達致變現要求。現對有關規定作出修訂，以規定有關酌情權僅可在變現要求代表單位信託基金之子基金的資產淨值的 5%或以上時行使。該修訂旨在反映中央銀行現時有關實物變現的規定。實物變現仍需取得變現單位持有人的事先同意，而單位持有人須有要求出售相關實物資產的權利。
<b>攤薄調整</b>	
附表一第 4 條將予修訂，以載述經理可在受託人的批准下利用擺動定價，惟在各情況下經理的估值政策應貫徹地在各類別資產中應用，亦將在單位信託基金的存續期內貫徹應用，以及對資產淨值作出的任何攤薄調整可計入任何市場差額（相關證券的買/賣差價）、徵費（例如交易稅項）及開支（例如結算成本或買賣佣金）及其他與調整或出售投資及維持單位信託基金的相關子基金的基礎資產價值有關的交易成本之任何撥備。	信託契據過往訂明，倘任何投資或任何期權未有根據信託契據的任何明確段落進行估值，則應按經理在受託人同意下可運用的該等方法予以估值，惟該估值方法須已獲中央銀行批准。由於基金章程載有攤薄調整的規定，因此，信託契據現正作出特別修訂，亦就此列明規定。

#### 簡介的變更

單位信託基金的簡介將會作出以下更改：

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Authorised and regulated by the Central Bank of Ireland.

1. 有關投資管理協議及行政協議的提述已於簡介中作出修訂，以反映該等協議的行政變更及監管更新。就此而言，由經理、信託人及行政人於 2005 年 4 月 1 日訂立的行政協議已於 2011 年 7 月 1 日作出修訂及重申。日期為 2006 年 12 月 20 日的投資管理協議已於 2012 年 8 月 27 日作出修訂及重申。該等協議的主要條文之概要載於簡介中標題為「經理、投資經理、信託人、行政人及香港代表」一節，以及有關各項該等協議的主要更新簡要如下。

投資管理協議的主要更新包括如下：

- (a) 已在投資管理協議中增加有關Baring Asset Management Limited（「BAML」）的資產管理、執行政策、處理訂單及處理客戶投訴的政策/程序之條文，以回應可轉讓證券集體投資計劃IV下的新監管要求。
- (b) 已在投資管理協議中增加有關提高 BAML 的報告要求（例如盡職調查報告、風險報告等）之條文，以回應可轉讓證券集體投資計劃IV下的新監管要求。
- (c) 已在投資管理協議中增加有關BAML的執行及衝突政策之披露，以回應金融市場工具指令 (Markets in Financial Instruments Directive) 的要求或金融市場行為監管局的要求。

行政協議的主要更新包括如下：

- (a) 有關Baring International Fund Managers (Ireland) Limited與Northern Trust International Fund Administration Services (Ireland) Limited 之間的營運關係的條文之補充及修訂。例如，行政協議現時規定行政協議可藉給予不少於 24（而不是 6）個月的書面通知予以終止；以及在行政協議所載條件之規限下，行政人可外判其全部或任何部分的服務。
- (b) 刪除有關行政協議須由簽署之日起 5年予以執行的條文。

經修訂及重列的投資管理協議及行政協議的副本可在香港代表的辦事處(地址載於下文)免費索取及查閱。

2. 每一子基金（已載有有關條文的霸菱大東協基金除外）的投資政策部份將會設立條文，以規定每一子基金均可根據中央銀行規定，將其淨資產的最多10%投資於其他集體投資計劃（包括交易所買賣基金）。簡介內標題為「投資政策：整體政策」一節已載有就每一子基金可將彼等資產的最多10%投資於其他集體投資計劃的條文。有關條文將包含在每一子基金的投資政策部分內，以作出更佳澄清。

此更新不會影響各子基金的管理方式，亦不會使各子基金的投資政策有所改變。

3. 在標題為「投資政策：整體政策」一節中與子基金有意投資於中國 A 股及 B 股有關的披露將會作出加強，以澄清如任何子基金有意將多於淨資產的 10%投資於中國 A 股及 B 股，須向投資者發出最少一個月事先通知，並將需尋求證券及期貨事務監察委員會認可。有關披露亦將會進一步澄清子基金於中國 A 股或 B 股的任何投資將會根據中央銀行及中國的相關監管機關的規定進行。

此更新不會影響各子基金的管理方式，亦不會使各子基金的投資政策有所改變。

4. 費用及開支一節將會作出修訂，以澄清信託人費用最多為每一子基金資產淨值的 0.025%（較早前有關費率已被披露為劃一比率 0.025%）。此外，簡介內的披露將會作出澄清，以說明賬戶維持費用以及交易費用及託管費用將按一般商業收費收取。
5. 標題為「申請程序」一節將會作出修訂，以澄清單位持有人可在經理或香港代表同意的情況下，透過電子通訊服務（例如 EMX 或 SWIFT）認購或變現單位。

此外，有關以支票支付認購、變現及分派款項的披露亦將會移除。移除該項披露後，準投資者及單位持有人將不再能夠以支票繳付認購款項，以及將不再能夠以支票收取變現款項及分派款項。變現款項及分派款項將只以電子轉賬方式支付。

6. 對資產淨值作出任何攤薄調整的計算方法將予更新，以容許經理計入任何市場差額（相關證券的買/賣差價）、徵費（例如交易稅項）及開支（例如結算成本或買賣佣金）及其他與調整或出售投資及維持相關子基金的基礎資產的價值有關的交易成本之任何撥備。「計算資產淨值」一節下的披露將予更新以反映此項更改。
7. 將對「投資政策：整體政策 - 投資於衍生工具」一節作出澄清。有關投資於交易所買賣基金的長/短倉期貨的提述以作為子基金可能投資的金融衍生工具的例子將被刪除。為了加強子基金可能運用的金融衍生工具種類的例子，亦將加入一項明確指出可利用不交割遠期合約的陳述。有關澄清乃為更清晰地反映單位信託基金的子基金現時可能運用的衍生工具種類而作出。

有關更改被認為不會對單位信託基金構成重大變動，而更改後亦不會使單位信託基金的整體風險狀況有重大變動。

8. 將加強有關單位信託基金的子基金的分派政策之披露，以提述有關單位信託基金的分派政策的風險，並回應香港的最新披露要求。

此外，簡介將會增強內容，以載明雖然各子基金一般從收入中支付其管理費及其他費用及開支，但當收入不足時，經理可規定某子基金從資本中支付部分或全部其管理費及其他費用及開支。此項酌情權在信託契據中有所規定，故在簡介納入有關披露，以作澄清。

9. 簡介將予更新，以包含其他行政管理方面的更新、回應最新監管要求的披露，以及現有風險因素的更新、稅務披露及額外風險因素的加插。建議閣下審閱經修訂「風險因素」一節，並考慮可能與閣下的投資有關的最新風險披露。

我們確認，上文所述的更改不會導致單位信託基金的子基金的風險狀況有任何改變。此外，於上文第 1、2、3、4、7、8、9 段描述的更改並不會改變單位信託基金及其子基金目前被管理的方式。

如閣下對此等事宜有任何疑問，請聯絡閣下慣常聯絡的霸菱，香港投資者應聯絡香港代表霸菱資產管理(亞洲)有限公司的鄧嘉南，電話：(852) 2841 1411，電郵：marco.tang@barings.com，或致函至以下地址：香港皇后大道中15 號公爵大廈19 樓。經修訂簡介快將可於香港代表辦事處免費取得。



代表

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

謹啟

日期：2013 年 12 月 13 日